



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
STATION PLACE
100 F STREET, NE
WASHINGTON, DC 20549-2736

Office of FOIA Services

March 21, 2011

Mr. James M. Odatto
Albany Times Union
Box 15000, News Plaza
Albany, NY 12212

Re: Freedom of Information Act (FOIA), 5 U.S.C. § 552
Request No. 11-03049-FOIA

Dear Mr. Odatto:

This letter is in response to your request, dated January 27, 2011, and received in this office on January 31, 2011, for information concerning Consumer's Buyline, Inc.

After consulting with the staff, we have determined to grant access to the enclosed 102 pages, with the exception of third-party and Commission staff names, addresses, and bank account numbers. Further, one transcript of testimony totaling 399 pages, is withheld in its entirety. These records are protected from release under FOIA Exemption 7(C), 5 U.S.C. § 552(b)(7)(C), 17 CFR § 200.80(b) (7)(iii). This exemption protects information that could reasonably be expected to constitute an unwarranted invasion of personal privacy. Release of this information could subject the employees named in the correspondence to harassment from the public in the performance of their official duties.

You have the right to appeal our decision to our General Counsel under 5 U.S.C. § 552(a)(6), 17 CFR § 200.80(d) (5) and (6). Your appeal must be in writing, clearly marked "Freedom of Information Act Appeal," and should identify the requested records. The appeal may include facts and authorities you consider appropriate.

Send your appeal to the Office of FOIA Services of the Securities and Exchange Commission located at Station Place, 100 F Street NE, Mail Stop 2736, Washington, D.C. 20549, or deliver it to Room 1120 at that address. Also, send a copy to the SEC Office of the General Counsel, Mail Stop 9612, or deliver it to Room 1120 at the Station Place address.

Mr. James M. Odató
March 21, 2011
Page 2

11-03049-FOIA

If you have any questions, please contact Jeff Ovall of my staff at ovallj@sec.gov or (202)551-6376. You may also contact me at foiapa@sec.gov or (202) 551-7900.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Fuller', with a stylized flourish at the end.

Brenda L. Fuller
FOIA Branch Chief

Enclosures

PATTON, BOGGS & BLOW

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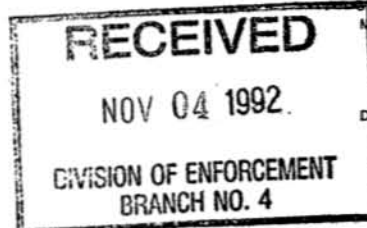
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526 COLE AVENUE
SUITE 300
DALLAS, TEXAS 75204
(214) 871-2141

November 4, 1992



WRITER'S DIRECT DIAL

(202) 457-6525

BY MESSENGER

(b)(7)(C)

Senior Attorney
Division of Enforcement
U.S. Securities and Exchange Commission
450 Fifth Street, N.W., Mail Stop 5-4
Washington, D.C. 20549

Re: Consumers' Buyline Inc., HO-2586

Dear (b)(7)(C)

Enclosed are the following:

1. Video tape entitled "Join Us Help People Have More";
2. July, August, September, October, and November 1992 issues of Consumers' Buyline Inc. Membership Monthly, which, I am told, constitute all the issues of this publication;
3. January through November 1992 issues of Consumers' Buyline Inc. Magazine (Vol. II, Nos. 1-11); and
4. Copy of description of Team Leader Program for Wisconsin. As you know, the Team Leader Program is a national effort, but varies state-by-state depending upon local requirements.

In response to your request, I questioned our client about the audio tape, a copy of which you already have, and the tan booklet entitled "Open Marketing with Consumers' Buyline Inc." I was told that the audio tape began to be distributed in January 1992, and that the tan booklet has not been distributed for some time.

PATTON, BOGGS & BLOW

(b)(7)(C)

November 4, 1992

Page 2

You should know that CBI continues to use the so-called "Redbook" to recruit salespersons, despite its obviously being out of date. The company is working diligently to produce new materials for use in recruiting salespersons, but they simply are not yet ready. The plan is to split the Redbook into two pamphlets, one for membership marketing and one for salesperson recruiting. We are told that drafts of the new materials should be ready in two or three weeks.

Please let me know if you need further information. CBI is anxious to settle with the SEC. Mr. Ranieri looks forward to having his testimony taken under oath if that will expedite or facilitate a settlement.

Very truly yours
(b)(7)(C)

(b)(7)(C)

cc: (b)(7)(C) (w/out encl.)
Mr. Keith Ranieri (w/out encl.)

ATTACHMENT A

TEAM LEADER PROGRAM

Team Leaders will be established by Consumers' Buyline, Inc. ("CBI") with responsibility for training new Affiliates and actively monitoring their marketing activities. Becoming a Team Leader is a purely voluntary responsibility which will be offered, at the discretion of CBI, to Affiliates at the level of Director or above.

The Team Leaders will be required to attend an initial training program at which he/she will be thoroughly instructed by CBI regarding company policies and procedures for selling CBI memberships and recruiting new Affiliates, as well as any applicable laws, agreement, or judgments, including an Assurance of Voluntary Compliance given to the State of Wisconsin, relating to marketing of the CBI program. The Team Leaders will also be required to attend additional training programs at least once every twelve months. No more than two percent (2%) of all CBI Affiliates may be made Team Leaders.

Team Leaders will be required to give open and public recruitment meetings at least once a week. A log will be kept of all persons attending each meeting. These meetings will be taped, either by audio or video tape, and the tapes and logs are to be kept by the Team Leader for a period of six months. Team Leaders will also be required to give at least one Affiliate training meeting each week. These meetings will follow scripts provided by CBI. The meetings will be designed to train prospective Affiliates in proper marketing procedures, including the required bifurcation in presentations to prospective members and to prospective Affiliates, as well as inform them of any applicable laws, agreements or judgments relating to their marketing of the CBI program. Additionally, at each of these meetings, the Team Leader will be required to show a video tape produced by CBI clearly explaining that purchase of a CBI membership is in no way necessary to participate as a CBI Affiliate.

In order to be certified as an Affiliate, that is one who is authorized to sell memberships and recruit other Affiliates, individuals will have to complete three prerequisites:

- (1) First, the prospective Affiliate will be required to read materials produced by CBI explaining proper marketing procedures. Both the prospective Affiliate and the training Team Leader will be required to certify that such materials have been reviewed.

(2) The prospective Affiliate will be required to attend and complete one of the Affiliate training programs given by a Team Leader as described above. These meetings will be recorded, and logs kept with the names and signatures of all attendees. Team Leaders will hold at least two such meetings within the State of Wisconsin every month.

(3) The prospective Affiliate will be required to accompany and witness a certified Affiliate give at least two membership sales representations. The certified Affiliate will be required to verify this in writing to the respective Team Leader.

The meetings and materials described above will emphasize that all prospective Affiliates must be clearly and expressly informed that purchase of the membership is in no way necessary in order to participate as an Affiliate. Once the prospective Affiliate has completed these requirements, the Team Leader will certify his completion to corporate headquarters. Prospective Affiliates will have 90 days from initiating the certification process in which to complete the requirements. If not certified within this time period, the individual will be required to start the certification process over in order to become an Affiliate.

Team Leaders will report directly to the company. Any Team Leader found to have acted in violation to company rules will be disciplined as follows: 1st offense - the Team Leader will lose all commission income for one month; 2nd offense - the Team Leader will lose his/her position as a Team Leader and commissions for one month; 3rd offense - the former Team Leader will have his/her Affiliate position terminated. Additionally, in any instance where a violation by a Team Leader is reported, the reporting individual will be rewarded the retained commissions up to \$1000.

Once an individual is certified as an Affiliate, he/she may sell memberships and recruit other Affiliates. Affiliates shall be required to bifurcate all presentations given to prospective members and to prospective Affiliates. Affiliates also shall confine presentations given to prospective members to a discussion of membership benefits and shall be required to clearly state to prospective Affiliates that purchase of the memberships is not necessary to participate as an Affiliate. All such presentations will be recorded by the Affiliate, with such tapes maintained for at least six months. Member applications shall not contain information regarding affiliate opportunities and affiliate applications shall contain clear and prominent disclosures that purchase of a membership is in no way necessary in order to become or remain an Affiliate. The disclaimer shall also direct the prospective Affiliate to report any violations of this policy to CBI, and offer rewards for confirmed violations.

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September 1, 1992

WESTERN DIRECT DIAL

(202) 457-6525

BY TELECOPY: (202) 272-7936

(b)(7)(C)

Senior Attorney
Division of Enforcement
U.S. Securities and Exchange Commission
450 Fifth Street, N.W., Mail Stop 5-4
Washington, D.C. 20549

Re: Consumers' Buyline, Inc., HO-2586

Dear (b)(7)(C)

As requested, I am setting forth in this letter some thoughts on the Consumers' Buyline restructuring proposal that I sent you on August 28th. As you will recall, I sent you the proposal as a "talking paper" to serve as the basis for discussing a settlement of the referenced matter.

The restructuring proposal attempts to remove the company's commission structure from the possible applicability of the federal and state securities laws. The proposal would do this by making clear that interests in the commission structure are not "securities." The proposal does not seek to completely reform the commission structure or to modify it in ways that are subject to regulation by the Federal Trade Commission and the attorneys general of the various states. It seeks only to make the securities laws inapplicable. It does this by making clear that salespersons do not make any "investment" in the commission structure to make themselves eligible to earn commissions.

We understand that you are concerned that Consumers' Buyline's commission structure may have been subject to abuse by salespersons who may have sold the company's memberships as investments in the commission structure rather than as memberships in a consumerist organization. We further understand that you believe that several features of the commission

PATTON, BOGGS & BLOW

(b)(7)(C)

September 1, 1992
Page 2

structure may have lent it to such abuse. One of these was the requirement that a member had to sell one membership for each salesperson that the member was allowed to sponsor. This requirement led a situation where there was a virtual identity between members and salespersons, although a relatively small percentage of the sales force ever qualified to earn commissions. In some instances, the commission structure may have incentivized the recruitment of salespersons as much as or more than the sale of memberships. We further understand that you believe that, because the company's cost of goods sold net of commissions is relatively low, salespersons may have been encouraged to ignore the benefits of the company's memberships and market them as "investments" in the commission structure or commission pool.

Consumers' Buyline's restructuring proposal addresses your concerns. It would require that salespersons sell at least two memberships for every salesperson they are allowed to sponsor in their sales organization. Thus, all salespersons would have an incentive to sell memberships qua memberships, and not to sell memberships only or primarily to persons who are interested in becoming salespersons. Under the restructuring proposal, at least 50% of the company's memberships would be sold to persons who are not salespersons. The company would expect that approximately 70% of its memberships would continue to be sold to persons who would not earn commissions on any sales. As is also the case now, no salesperson would be required to pay anything to be eligible to earn commissions.

Consumers' Buyline believes that requiring that two memberships be sold for every salesperson allowed to be sponsored should be sufficient to ensure that the company operates as a retail-sales-oriented company. The company is open to suggestions from the Commission Staff, however, in this regard. For instance, one possible approach may be to lower commissions payable on sales of memberships to salespersons. This would reduce the incentive to sell memberships to salespersons.

Consumers' Buyline's restructuring proposal is essentially the approach adopted by the Amway Corporation to prevent its distributor plan from running afoul of the law. Relying in part on cases where the securities laws were also violated because of the presence of a pyramid scheme, the Federal Trade Commission found that the Amway plan was not a pyramid scheme because, among other things, distributors had to sell at wholesale or retail at

PATTON, BOGGS & BLOW

(b)(7)(C)

September 1, 1992

Page 3

least 70% of the product they ordered each month to at least ten different customers. See 93 F.T.C. Reports at 716 (1979). In this way, Amway distributors were discouraged from buying products themselves solely to qualify for commissions, and retail sales became an essential part of being a distributor.

Consumers' Buyline also has undertaken to revamp its sales program by instituting its "Team Leader" program, which will serve to emphasize retail product sales over salesperson recruitment. Attachment A is a summary of the Team Leader program which was supplied to the Attorney General of Arkansas and which the Attorney General has incorporated in a draft settlement agreement. We hope that the Commission Staff's review of Attachment A will help you to conclude that implementation of the Team Leader program will minimize risks that Consumers' Buyline's memberships will be sold as investment opportunities.

We believe that a meeting with members of the Commission Staff from both the Division of Enforcement and the Division of Corporation Finance would lead to a more timely resolution of this matter. Mr. Keith Raniere, President of Consumers' Buyline, is anxious to participate in such a meeting. I believe his participation could help us reach a timely resolution. While I realize that this type of meeting with the Division of Enforcement is rather unusual, I do not think it is out of character if we are talking about the possibility of the Division of Corporation Finance's issuing a no-action letter as part of the resolution of this matter.

I look forward to your response.

Very truly yours,

(b)(7)(C)

(b)(7)(C)

Attachment

cc: Mr. Keith Raniere

ATTACHMENT A

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prospective Affiliates in proper marketing procedures, as well as inform them of any applicable laws, agreements or judgements relating to their marketing of the CBI program. Additionally, at each of these meetings, the Team Leader will be required to show a video tape produced by CBI clearly explaining that purchase of a CBI membership is in no way necessary to participate as a CBI Affiliate.

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The meetings and materials described above will emphasize that all prospective Members and Affiliates must be clearly and expressly informed that purchase of the membership is in no way necessary in order to participate as an Affiliate. Once the prospective Affiliate has completed these requirements, the Team Leader will certify his completion to corporate headquarters. Prospective Affiliates will have 90 days from initiating the certification process in which to complete the requirements. If not certified within this time period, the individual will be required to start the certification process over in order to become an Affiliate.

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Once an individual is certified as an Affiliate, he/she may sell memberships and recruit other Affiliates. Affiliates shall be required to clearly state to prospective Members and/or Affiliates that purchase of the memberships is not necessary to participate as an Affiliate. All such presentations will be recorded by the Affiliate, with such tapes maintained for at

least six months. Member and Affiliate applications shall contain clear and prominent disclosures that purchase of a membership is in [§]on way necessary in order to become or remain an Affiliate. The disclaimer shall also direct the prospective Member or Affiliate to report any violations of this policy to CBI, and offer rewards for confirmed violations.

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August 28, 1992

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BY TELECOPY (202) 272-7936

(b)(7)(C)

Senior Attorney
Division of Enforcement
U.S. Securities and Exchange Commission
450 Fifth Street, N.W., Mail Stop 5-4
Washington, D.C. 20549

Re: Consumers' Buyline, Inc., HO-2586

Dear (b)(7)(C)

Enclosed is the "talking paper" I promised to submit to you as a basis for discussing the restructuring of Consumers' Buyline's commission structure to make it absolutely clear that the company is not selling "securities."

I sincerely apologize for the delay in submitting this document to you. I am submitting it now without final client approval because of my undertaking to get back to you by the end of the week.

Please call if you have questions or other matters to discuss.

I look forward to hearing from you.

Very truly yours,
(b)(7)(C)

Enclosure

cc: Mr. Keith Raniere

Proposed Restructuring of Consumers'
Buyline Commission Structure

- Membership fee is \$260 annually, payable in one payment at the beginning of the year or in 12 monthly installments, with the first installment being \$62, followed by 11 monthly installments of \$19 each (\$18 plus a \$1 bank draft fee).
- Salespersons must sell at least two memberships for each salesperson they sponsor, but they may sell any number more.
- The requirements that a salesperson must recruit one salesperson for each membership sold and that a salesperson must maintain two memberships to be qualified to receive commissions would be eliminated, thereby eliminating any concern that a salesperson must cause \$30 a month to be forwarded to the company in order to be eligible to participate in the monthly commission "pool."
- Up to \$179 of the \$260 annual membership fee would be payable in commissions, with \$14 payable out of the first month's fee (\$5 to the selling salesperson and \$9 to a monthly performance pool) and \$165 payable out of and over the last 11 months of the membership.

MEMBER AND/OR AFFILIATE APPLICATION

Print or type all applicable information clearly and accurately.

Part I — Identifying Information (to be completed by Member and Affiliate Applicants)

Name (first, middle initial, last)		Date of birth
Address (number and street)		Daytime telephone number ()
City, village or post office	State	ZIP Code
		Evening telephone number ()
Your social security number (or EIN)	Selling agent's social security number (or EIN)	Today's date

Part II — Member Application (selling agent must also complete transaction date on the back of this form)

Membership is valid and in effect upon receipt and acceptance of this application by CBI at its home office in Clifton Park, New York. MEMBERS MAY NOT PURCHASE ANYTHING THROUGH THIS SERVICE FOR RESALE, FAVOR OR REDISTRIBUTION. MEMBERS MAY NOT OBTAIN PRICE QUOTES OR MERCHANDISE FOR NON-MEMBERS. SEE IMPORTANT CANCELLATION NOTICE ON THE BACK OF THIS APPLICATION. I have read and agree to the Member Terms and Conditions contained on the back of this form. I hereby apply for membership in Consumers' Buyline, Inc..

Sign
Here

Signature of Applicant Member

Part III — Payment Record/Bank Draft Authorization (must be completed for all Applicant Members)

Type of account (check one): ☐ Checking ☐ American Express (annual only) ☐ Other (specify)

Name, city and state of bank or financial institution

Account number (see Note below)	Bank transit number	Expiration date (if applicable)
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Note: If you chose bank draft, attach a blank, voided check or a photocopy of a cancelled check

I have attached a check (or cash) for the \$ annual fee plus the first \$ monthly payment

Draft from the above account: ☐ Monthly \$16.00 ☐ Quarterly \$46.00 ☐ Annually \$219.00

I hereby authorize Consumers' Buyline, Inc., of Clifton Park, NY, to charge/draft my bank account from the financial institution listed above. I agree that if any charge is dishonored, whether intentionally or inadvertently, Consumers' Buyline, Inc. shall be under no liability whatsoever. I understand that I will be charged a five dollar fee for each and any charge that is dishonored. THIS AUTHORITY IS TO REMAIN IN EFFECT UNTIL CONSUMERS' BUYLINE, INC. RECEIVES A WRITTEN NOTIFICATION FROM ME REVOKING THE AUTHORIZATION OR I TELEPHONE AN AUTHORIZED REPRESENTATIVE OF CONSUMERS' BUYLINE, INC. AT THE TELEPHONE NUMBER ON THE TOP OF THIS FORM, AND I PROVIDE MY PERSONAL IDENTIFICATION NUMBER, AGREEING TO HAVE THE CONVERSATION TAPED FOR VERIFICATION. I UNDERSTAND THAT IF I CHOOSE TO CANCEL MY MEMBERSHIP I MUST RETURN ALL MEMBERSHIP MATERIALS AND THAT MAKING USE OF SUCH MEMBERSHIP AFTER CANCELLATION CONSTITUTES FRAUD.

Sign
Here

Signature of account owner

Print name of account owner

Social Security number of account owner

Part IV — Affiliate Application

New Affiliate must check applicable boxes:

- ☐ Please enter my subscription to the CBI Optional Administration Services (monthly downline reports, newsletters and special mailings). I enclose \$36.00.
- ☐ Please rush me my optional sales kit. I enclose \$25.00. (A New Affiliate's Packet is provided if the sales kit is not purchased.)
- ☐ Other monies attached. Amount Purpose

I understand that no purchase of a membership or payment is required to become or remain a CBI Affiliate. A PARTICIPANT IN THIS OPEN-MARKETING PLAN HAS THE RIGHT TO CANCEL AT ANY TIME, REGARDLESS OF REASON. CANCELLATION MUST BE SUBMITTED IN WRITING TO THE COMPANY AT ITS PRINCIPAL BUSINESS ADDRESS ABOVE. I have read and understood the back of this form. I agree to abide by the Affiliate Affidavit/Policies and Procedures.

Sign
Here

Signature of Applicant Affiliate

Part V — Sponsor Information

Name (first, middle initial, last)	Social security number (or EIN)
------------------------------------	---------------------------------

Place the new Applicant in my: ☐ first line (if qualified), and (check one) ☐ 1st, 3rd, 6th or 9th level ☐ next available position

OFFICE-USE ONLY

member



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hods

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CBI Ex No.
12-1-92 JLC

MEMBER TERMS AND CONDITIONS

1. Membership is for a period of one year. The annual renewal charge is \$39 and \$16 (\$15 if non-draft payment) per month as long as the membership remains in force.
2. Memberships may not be sold or transferred without the prior written consent of CBI; consent for sale or transfer will not be unreasonably withheld.
3. Member understands that CBI chooses product and service suppliers based on their history of pricing, service and proven stability. CBI is not a discount buying club. Members may be able to obtain the same or similar products and services in their own locale at prices equal to or lower than those available to members.

4. Member agrees to accept the warranties and guarantees provided from time to time by CBI suppliers and agrees that CBI has issued no warranties or guarantees and is not liable for defective products or services or default in provision of products and services by suppliers.
5. CBI may modify and add to these Member Terms and Conditions from time to time and such modifications and additions shall become a part of this agreement upon written notice thereof to the member.

MEMBER NOTICE OF CANCELLATION

YOU MAY CANCEL THIS TRANSACTION, WITHOUT PENALTY OR OBLIGATION, WITHIN THREE BUSINESS DAYS (ALASKA RESIDENTS FIVE DAYS) FROM THE DATE ON THE REVERSE OF THIS FORM.

IF YOU CANCEL, ANY PROPERTY TRADED IN, ANY PAYMENTS MADE BY YOU UNDER THE CONTRACT OR SALE AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING RECEIPT, BY THE SELLER, OF YOUR CANCELLATION NOTICE; AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELLED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO THE SELLER, AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS CONTRACT OR SALE; OR YOU MAY, IF YOU WISH, COMPLY WITH THE INSTRUCTIONS OF THE SELLER REGARDING THE RETURN SHIPMENT OF THE GOODS AT THE SELLER'S EXPENSE AND RISK.

IF YOU DO MAKE THE GOODS AVAILABLE TO THE SELLER AND THE SELLER DOES NOT PICK THEM UP WITHIN 20 DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO THE SELLER, OR IF YOU AGREE TO RETURN THE GOODS TO THE SELLER AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THIS CONTRACT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE OR ANY OTHER WRITTEN NOTICE, OR SEND A TELEGRAM, TO CONSUMERS' BUYLINE, INCORPORATED, 1471 ROUTE 9, CLIFTON PARK, NEW YORK, 12065, NOT LATER THAN MIDNIGHT OF THE THIRD DAY PAST THE FOLLOWING DATE:

Selling agent must enter transaction date here

I HEREBY CANCEL THIS TRANSACTION:

Date:

Buyer's signature:

AFFILIATE AFFIDAVIT/POLICIES AND PROCEDURES

1. I am of legal age in the state of my residency or I have the written consent of my legal guardian. I agree that I am an independent contractor, responsible for my own business activities and not an agent, employee or legal representative of this company. I am responsible for the payment of all federal, state self-employment taxes and any other tax required under any federal, state or regulatory or taxing agency.

2. This position does not constitute the sale of a franchise or a distributorship and no fees or purchases have been or will be required from me for the right to distribute the Company's memberships.

3. I understand that my affiliateship can be inherited or bequeathed, but cannot be transferred or assigned during my lifetime without written consent of the Company, which consent will not be unreasonably withheld.

4. As a Consumers' Buyline, Inc. Affiliate, I shall place primary emphasis upon the sale of retail memberships to consumers.

5. In order to maintain a viable Marketing Program and to comply with changes in federal, state or local laws or economic conditions, Consumers' Buyline, Inc. may provide Policies and Procedures and Rules and Regulations for Affiliates from time to time, as well as modify its Affiliate Compensation Program. Such Policies and Procedures and Rules and Regulations and Compensation Plan modifications, and all changes thereto, shall upon notice to the Affiliate become a binding part of the Agreement.

6. I am responsible for training and supporting the Affiliates I sponsor into the program. I agree to maintain monthly communication and support to those Affiliates in my commissionable downline by way of any of the following, or combination thereof: Personal contact, telephone communication, written communication, attendance at Affiliate meetings or directly by any of the above through my upline or downline.

7. I must maintain a personal volume of at least \$30.00 each calendar month to receive team overrides. If I fail to produce a \$30.00 monthly personal volume for greater than 15 days after CBI has notified me of this failure, my affiliateship shall be terminated and all rights and privileges as a CBI Affiliate shall be revoked as of the first day of the next calendar month. Affiliates that are also members will have all dues and fees withdrawn from their commissions when appropriate unless they notify C.B.I. in writing along with their application for membership.

8. I will not use the trade names, logos, copyrighted material, trademarks or service marks of Consumers' Buyline, Inc., except in materials provided by the Company. I understand that unauthorized use or duplication of trademarks or copyrighted materials is a violation of federal law.

9. I shall use the Business Plan ONLY for the promotion of memberships and for instating new Affiliates into CBI. In the event that my Affiliate position is terminated for any reason, I shall not use the Business Plan for the promotion of any other business venture for a period of two years following the termination.

10. Consumers' Buyline, Inc. is the only entity that may offer commissions, overrides, bonuses, awards, or any other compensation for the sale of memberships. Specifically, I may not pay, reimburse, gift, or otherwise recompense anyone, directly or indirectly, for the sale of memberships or for buying a membership. I will not personally sponsor more Affiliates than the number of memberships I have personally sold.

11. I will represent memberships and the business plan ONLY as approved by Consumers' Buyline, Inc. If I allow any violations of this to go on unreported, my instatement shall be revoked. Further, CBI shall take whatever financial measures it deems appropriate to correct the violation. This may include repossession and redistribution of previously awarded commissions, overrides, bonuses, or awards. In particular, if any Affiliate can demonstrate that any award was fraudulently awarded, a reward not greater than the amount of the award shall be given to that Affiliate, and the Affiliate who committed the fraud shall be liable not only for returning the amount of the award, but also for a penalty of double the amount of the reward.

12. Groups, organizations, partnerships, etc. are not eligible for Spectrum awards; however, corporate Affiliates whose orders are sold solely and personally by the head of the corporation are eligible. Furthermore, all Spectrum awards are subject to audit; by accepting a Spectrum award, an Affiliate agrees to allow CBI to conduct an investigation into the circumstances of the award.

13. This Agreement shall be deemed in effect upon its receipt and acceptance by Consumers' Buyline, Inc. at its home office in Clifton Park, New York.

14. Consumers' Buyline, Inc. provides the following fulfillment to its Affiliates: A New Affiliate's Packet of sales literature whether or not the optional sales kit is purchased; shipment of ordered sales aids and memberships within ten days of receipt of order and clearance of funds (subject to availability); calculation and payment of Affiliate commissions; service of memberships sold.

15. This agreement is governed under the laws of the State of New York. The parties agree that any claim, dispute or other difference between them shall be exclusively resolved by binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association with arbitration to occur in Clifton Park, New York.

16. Affiliates may return literature and sales aids in reusable and resalable condition at any time within sixty days of purchase and receive a 100% refund. Shipping costs for returned items shall be borne by the Affiliate. Payment will be made within sixty days of actual receipt of returned items. Request for refund may cancel this Agreement at the option of the Company. The Company will honor refund policies provided by any state or federal law applicable to the Affiliate (New Mexico - one year, Georgia - no time limitation).

17. Members resident in the states of Minnesota and Wisconsin obtain products and services as members of Consumers' Buyline, Inc. without advance deposit or payment prior to delivery, and receive all goods and services on a C.O.D. basis.

18. Further information concerning CBI is on file with the Georgia Office of Consumer Affairs, 2 M.L. King Jr. Drive, Plaza Level East, Atlanta, GA 30334.

MEMBER APPLICATION

1. If the Applicant Member chooses to be an Affiliate, staple the Affiliate Application to the back of this form.
2. White outs and/or cross outs will NOT be accepted.
3. Membership applications not signed and dated will not be accepted.
4. DO NOT staple payment to application. Staple voided check if necessary.
5. Print or type all applicable information clearly and accurately.

Part I — Identifying Information

Name (first, middle initial, last)	Your social security number (or EIN)	Date of birth
Address (number and street)		Daytime telephone number ()
City, village or post office	State	ZIP Code
		Evening telephone number ()
Selling agent's name (first, middle initial, last)	Selling agent's social security number (or EIN)	Today's date
Sponsor's name (first, middle initial, last)		Sponsor's social security number (or EIN)

Part II — Member Application and Certification (selling agent must also complete transaction date on the back of this form)

Membership is valid and in effect upon receipt and acceptance of this application by CBI at its home office in Clifton Park, New York. MEMBERS MAY NOT PURCHASE ANYTHING THROUGH THIS SERVICE FOR RESALE, FAVOR OR REDISTRIBUTION. MEMBERS MAY NOT OBTAIN PRICE QUOTES OR MERCHANDISE FOR NON-MEMBERS. SEE IMPORTANT CANCELLATION NOTICE ON THE BACK OF THIS APPLICATION. I have read and agree to the Member Terms and Conditions contained on the back of this form. I hereby apply for a membership in Consumers' Buyline, Inc..

Certification by Member who has chosen to be an Affiliate: I certify to Consumers' Buyline, Inc. that the CBI Affiliate presenting the CBI membership to me has informed me that no purchase of the CBI membership or other purchase or payment is necessary to become or remain a CBI Affiliate.

IF THE ABOVE STATEMENT IS NOT TRUE, DO NOT SIGN THIS APPLICATION AND CERTIFICATION.
CALL CONSUMERS' BUYLINE, INC. CUSTOMER SERVICES AT (518) 383-5950.

Sign Here	Signature of Applicant Member	Today's date
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Part III — Payment Record/Bank Draft Authorization (must be completed for all Applicant Members)

Type of account (check one): ☐ Checking ☐ American Express (annual only) ☐ VISA (annual only) ☐ MasterCard (annual only) **NO SAVINGS ACCTS.**

Name, city and state of bank or financial institution

Account number (see Note below)	Bank transit number	Expiration date (if applicable)
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Note: If you chose bank draft, staple a blank, voided check or a photocopy of a cancelled check where indicated at the box below.

Staple Voided Check Here	I have attached a check, money order or cash for the \$ _____ annual fee plus the first \$ _____ monthly payment	
	Draft from the above account: <input type="checkbox"/> Monthly \$16.00 <input type="checkbox"/> Quarterly \$46.00 <input type="checkbox"/> Annually \$232.00 (\$219.00 if check or money order)	

I hereby authorize Consumers' Buyline, Inc., of Clifton Park, NY or Pinnacle Financial Services, Inc., of Pittsfield, MA, to draft/charge my bank/charge account from the financial institution listed above. I agree that if any charge is dishonored, whether intentionally or inadvertently, Consumers' Buyline, Inc. or Pinnacle Financial Services, Inc., of Pittsfield, MA, shall be under no liability whatsoever. I understand that I will be charged a ten dollar fee for each and any charge that is dishonored. THIS AUTHORITY IS TO REMAIN IN EFFECT UNTIL CONSUMERS' BUYLINE, INC. RECEIVES A WRITTEN NOTIFICATION FROM ME REVOKING THE AUTHORIZATION OR I TELEPHONE AN AUTHORIZED REPRESENTATIVE OF CONSUMERS' BUYLINE, INC. AT THE TELEPHONE NUMBER ON THE TOP OF THIS FORM, AND I PROVIDE MY PERSONAL IDENTIFICATION NUMBER, AGREEING TO HAVE THE CONVERSATION TAPED FOR VERIFICATION. I UNDERSTAND THAT IF I CHOOSE TO CANCEL MY MEMBERSHIP I MUST RETURN ALL MEMBERSHIP MATERIALS AND THAT MAKING USE OF SUCH MEMBERSHIP AFTER CANCELLATION CONSTITUTES FRAUD.

Sign Here	Signature of account owner	Print name of account owner	Social security number of account owner
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OFFICE USE ONLY: membno:

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 db: ☐ orph: ☐
sent: ☐ finc: ☐ hold: ☐

MEMBER TERMS AND CONDITIONS

1. Membership is for a period of one year. The annual renewal charge is \$39 and \$16 (\$15 if non-draft payment) per month as long as the membership remains in force. Annual payment is \$232 by credit card or \$219 by cash, check or money order.

2. Memberships may not be sold or transferred without the prior written consent of CBI; consent for sale or transfer will not be unreasonably withheld.

3. Member understands that CBI chooses product and service suppliers based on their history of pricing, service and proven stability. CBI is not a discount buying club. Members may be able to obtain

the same or similar products and services in their own locale at prices equal to or lower than those available to Members.

4. Member agrees to accept the warranties and guarantees provided from time to time by CBI suppliers and agrees that CBI has issued no warranties or guarantees and is not liable for defective products or services or default in provision of products and services by suppliers.

5. CBI may modify and add to these Member Terms and Conditions from time to time and such modifications and additions shall become a part of this agreement upon written notice thereof to the Member.

MEMBER NOTICE OF CANCELLATION

YOU MAY CANCEL THIS TRANSACTION, WITHOUT PENALTY OR OBLIGATION, WITHIN THREE BUSINESS DAYS (ALASKA RESIDENTS FIVE DAYS) FROM THE DATE ON THE REVERSE OF THIS FORM.

IF YOU CANCEL, ANY PROPERTY TRADED IN, ANY PAYMENTS MADE BY YOU UNDER THE CONTRACT OR SALE AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING RECEIPT, BY THE SELLER, OF YOUR CANCELLATION NOTICE; AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELLED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO THE SELLER, AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS CONTRACT OR SALE; OR YOU MAY, IF YOU WISH, COMPLY WITH THE INSTRUCTIONS OF THE SELLER REGARDING THE RETURN SHIPMENT OF THE GOODS AT THE SELLER'S EXPENSE AND RISK.

IF YOU DO MAKE THE GOODS AVAILABLE TO THE SELLER AND THE SELLER DOES NOT PICK THEM UP WITHIN 20 DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO THE SELLER, OR IF YOU AGREE TO RETURN THE GOODS TO THE SELLER AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THIS CONTRACT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE OR ANY OTHER WRITTEN NOTICE, OR SEND A TELEGRAM, TO CONSUMERS' BUYLINE, INCORPORATED, 1471 ROUTE 9, CLIFTON PARK, NEW YORK 12065, NOT LATER THAN MIDNIGHT OF THE THIRD DAY PAST THE FOLLOWING DATE:

Selling agent must enter transaction date here

I HEREBY CANCEL THIS TRANSACTION:

Date:

Buyer's signature:

OPTIONAL SURVEY QUESTIONNAIRE

Please blacken the appropriate circles as they apply to the Applicant Member.

1. Marital Status
Married ☐ Single ☐ Divorced ☐ Widowed ☐

2. Age Range
18-25 ☐ 25-39 ☐ 40-55 ☐ 55+ ☐

3. Educational Level Reached
Grade 8 ☐ Grade 12 ☐ Bachelor's ☐
Grad. ☐ Post Grad. ☐

4. Sex
Male ☐ Female ☐

5. Ethnic Origin
White ☐ Afro-American ☐ Hispanic ☐ Asian ☐
American Indian ☐ Other ☐

6. Self Employed?
Yes ☐ No ☐

7. Type of Employment
Clerical ☐ Trade ☐ Business ☐ Professional ☐

8. Smoker ☐ Non-smoker ☐

9. Driver ☐ Non-driver ☐

10. Number of Persons in Household
1 ☐ 2-3 ☐ 4-5 ☐ 6+ ☐

11. Salary Range of Household
0-\$10,000 ☐ \$10,001-\$20,000 ☐ \$20,001-\$30,000 ☐
\$30,001-\$40,000 ☐ \$40,001-\$50,000 ☐
\$50,001-\$60,000 ☐ \$60,000+ ☐

AFFILIATE APPLICATION

1. Print or type all applicable information clearly and accurately.
2. White outs and/or cross outs will NOT be accepted.
3. Affiliates that are members MUST have the same sponsor on BOTH applications.

Part I — Identifying Information

Name (first, middle initial, last)	Date of birth
Address (number and street)	Daytime telephone number ()
City, village or post office	Evening telephone number ()
State	ZIP Code
Your social security number (or EIN)	Today's date

Part II — Affiliate Application

New Affiliate must check applicable boxes:

- ☐ Please enter my subscription to the CBI Optional Administration Services (monthly downline reports, newsletters and special mailings). I enclose \$36.00.
- ☐ Please rush me my optional sales kit. I enclose \$25.00. (A New Affiliate's Packet is provided if the sales kit is not purchased.)
- Note:** Optional sales kit and other literature and sales aids purchases not available to Connecticut residents during the first 30 days. (A New Affiliate's Packet is automatically provided.)

I understand that no purchase of a membership or payment is required to become or remain a CBI Affiliate. A PARTICIPANT IN THIS MULTI-LEVEL MARKETING PLAN HAS THE RIGHT TO CANCEL AT ANY TIME, REGARDLESS OF REASON. CANCELLATION MUST BE SUBMITTED IN WRITING TO THE COMPANY AT ITS PRINCIPAL BUSINESS ADDRESS ABOVE. I have read and understood the back of this form. I agree to abide by the Affiliate Affidavit/Policies and Procedures.

Sign Here	Signature of Applicant Affiliate
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Part III — Sponsor Information

Name (first, middle initial, last)	Signature	Social security number (or EIN)
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Placement of new Applicant: ☐ first line (if qualified), and (check one) ☐ 1st, 3rd, 6th or 9th level ☐ highest position ☐ weakest position

List your upline sponsors (five levels up), starting with your sponsor. List your Team Leader below. Be sure to include identifying numbers.

1	Sponsor's name (first, middle initial, last)	Social security number (or EIN)
2	Sponsor's name (first, middle initial, last)	Social security number (or EIN)
3	Sponsor's name (first, middle initial, last)	Social security number (or EIN)
4	Sponsor's name (first, middle initial, last)	Social security number (or EIN)
5	Sponsor's name (first, middle initial, last)	Social security number (or EIN)
	Team Leader's name (first, middle initial, last)	Phone Number
		Social security number (or EIN)

Note: To sponsor an Affiliate, you must have sold a membership. Attach the membership application (or a copy of the qualifying membership application) to the front of this form.

1. I am of legal age in the state of my residency, or have the written consent of my legal guardian. I agree that I am an independent contractor, responsible for my own business activities and not an agent, employee or legal representative of the Company. I will not represent in any manner that I am an agent or representative of the Company. I am responsible for the payment of all federal and state self-employment taxes and any other tax required under any federal, state or regulatory or taxing agency.

2. This position does not constitute the sale of a franchise or a distributorship and no fees or purchases have been or will be required from me for the right to distribute the Company's memberships pursuant to this Agreement.

3. I agree that, as a Consumers' Buyline, Inc. Affiliate, I shall place primary emphasis upon the retail sale of memberships to consumers. I understand that the sponsoring of Affiliates is a secondary activity, and that the right to sponsor Affiliates is only earned through the retail sale of CBI consumer memberships. In particular, an Affiliate cannot, at any time, have more personally sponsored Affiliates than personally sold consumer memberships. Affiliates resident in the states of North Dakota, Indiana, Michigan and West Virginia are limited to \$495.00 in purchases from the Company relating to their Affiliate business during the first six (6) months of affiliateship. (Purchase of membership and purchase of products and services as a member are not related to the Affiliate business.) Permissible Affiliate purchases shall be automatically modified to comply with the exemption requirements set forth in any state's laws regulating business opportunities.

4. In order to maintain a viable Marketing Program and to comply with changes in federal, state or local laws or economic conditions, Consumers' Buyline, Inc. may provide Policies and Procedures, Rules and Regulations for Affiliates from time to time, as well as modify its Affiliate Compensation Program. Such Policies and Procedures, Rules and Regulations and Compensation Plan modifications, and all changes thereto, shall, upon notice to the Affiliate, become a binding part of this Agreement.

5. I understand that no attorney general or other regulatory authority ever reviews, endorses or approves any product, membership, compensation program or company, and I will make no such claim to others.

6. I understand that my affiliateship can be inherited or bequeathed, but cannot be transferred or assigned during my lifetime without written consent of the Company, which consent will not be unreasonably withheld.

7. This Agreement shall be deemed in effect upon its receipt and acceptance by Consumers' Buyline, Inc. at its home office in Clifton Park, New York.

8. I will not use the Company name, or the trade names, logos, copyrighted material, trademarks or service marks of Consumers' Buyline, Inc., except in materials provided by (or approved prior to my use thereof by) the Company. I understand that unauthorized use or duplication of trademarks or copyrighted materials is a violation of federal law.

9. I am responsible for training and supporting the Affiliates I sponsor into the program. I agree to maintain monthly communication and support to those Affiliates in my commissionable downline by way of any of the following, or combination thereof: Personal contact, telephone communication, written communication, attendance at Affiliate meetings or directly by any of the above through my upline or downline.

10. I shall use the Business Plan ONLY for the promotion of memberships and for instating new Affiliates into CBI. In the event that my Affiliate position is terminated for any reason, I shall not use the Business Plan for the promotion of any other business venture for a period of two years following the termination.

11. Consumers' Buyline, Inc. provides the following fulfillment to its Affiliates: A New Affiliate's Packet of sales literature, whether or not the optional sales kit is purchased; shipment of ordered sales aids within ten (10) days of receipt of order and

clearance of funds (subject to availability of models ordered); and calculation and payment of Affiliate commissions. Payment terms on Affiliate purchases are: Cash, check, money order or credit card with order. Credit purchases or C.O.D.'s are permitted on approval. Affiliate commissions are paid monthly, pursuant to the CBI Compensation Plan described in the Open Marketing pamphlet which is incorporated herein by reference.

12. Consumers' Buyline, Inc. is the only entity that may offer commissions, overrides, bonuses, awards, or any other compensation for the sale of memberships. Specifically, I may not pay, reimburse, gift, or otherwise recompense anyone, directly or indirectly, for the sale of memberships or for buying a membership. I will not personally sponsor more Affiliates than the number of memberships I have personally sold.

13. I will not make false or misleading statements about the CBI Affiliate opportunity.

14. I will represent memberships and the business plan ONLY as approved by Consumers' Buyline, Inc. If I allow any violations of this to go on unreported, my instatement shall be revoked. Further, CBI shall take whatever financial measures it deems appropriate to correct the violation. This may include repossession and redistribution of previously awarded commissions, overrides, bonuses, or awards. In particular, if any Affiliate can demonstrate that any award was fraudulently awarded, a reward not greater than the amount of the award shall be given to that Affiliate, and the Affiliate who committed the fraud shall be liable not only for returning the amount of the award, but also for a penalty of double the amount of the reward.

15. Affiliates in the same household or business shall have the same sponsor. Change of original sponsor is not permitted except as outlined in the CBI Policies and Procedures booklet which is incorporated herein by reference.

16. Groups, organizations, partnerships, etc. are not eligible for Spectrum awards; however, corporate Affiliates whose orders are sold solely and personally by the head of the corporation are eligible. Furthermore, all Spectrum awards are subject to audit: by accepting a Spectrum award, an Affiliate agrees to allow CBI to conduct an investigation into the circumstances of the award.

17. I must maintain a personal volume of at least \$30.00 in personally sold consumer memberships (payments) each calendar month to receive Open Marketing overrides. If I fail to produce a \$30.00 monthly personal volume for greater than 15 days after CBI has notified me of this failure, my affiliateship shall be terminated and all rights and privileges as a CBI Affiliate shall be revoked as of the first day of the next calendar month. Affiliates that are also members will have all dues and fees withdrawn from their commissions when appropriate unless they notify CBI in writing along with their application for membership.

18. This agreement is governed under the laws of the state of New York. The parties agree that any claim, dispute or other difference between them shall be exclusively resolved by binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association with arbitration to occur in Clifton Park, New York.

19. Affiliates may return sales kits and other literature and sales aids and Affiliate purchases in reusable and resalable condition at any time within sixty days of purchase and receive a 100% refund on literature and sales aids returns. Shipping costs for returned items shall be borne by the Affiliate. Payment will be made within sixty days of actual receipt of returned items.

Request for refund may cancel this Agreement at the option of the Company. The Company will honor refund policies provided by any state or federal law applicable to the Affiliate (New Mexico - one year, Georgia - no time limitation).

20. Further information concerning the Company is on file with the Georgia Office of Consumer Affairs, 2 M.L. King Jr. Drive, Plaza Level East, Atlanta, GA 30334.

consumers' buyline inc.

100 Sitterly Road Clifton Park, New York 12065 (518) 383-5950

Dear Affiliate,

8/31/92

News Flash... Flashes...

1) This month we have 2 more Affiliates that have attained the level of National Director - Don & Melba Troup, and The Optima Group! This brings the total up to 5.

In our marketing plan levels are earned. I have never thought very much of levels or titles that people can buy or earn in a matter of 2 or 3 months. Both of these Affiliates have put in a tremendous amount of time and consistent effort. This combined with considerable talent and leadership allowed them to reach this level. Congratulations!

2) Read the "Dream Team" enclosed. If you have had any worries about computer processing, computer processing is now a done deal... The head of all the internal computer operations and processing has left the American Stock Exchange to come on board with us. How many other marketing companies have "real" people like that?!

3) It is now time for people to take their place in our company. If you picture what it was like in the pioneering days, there were land rushes to claim territories (to stake a claim of land). Committed individuals would travel long hard distances into the frontier to get to the "Land Race" - now it's your turn.

Bob Bremner and Sonny Waldron have been up here for the past week going over some of the details of the Team Leader Program and I think all three of us are going to bust at the seams with excitement. The Team Leader Program is going to be implemented on a state by state basis over the next few months. Team Leaders will have a territory based on population and zipcode. Team leaders will earn overrides on everyone in the area(s) that they service, earn money on supplies furnished, training certifications and a number of other sources. They will also earn profit sharing.

Over each state there will also be State Team Leaders... even more of the above profit potential. The more territories you and your downline put your stakes in, the more profit sharing and other monies you will earn. Once we have the Team Leaders in place, we will continue to offer opportunities in all of the different ventures that we create (like we do for the LBP - City Teams, State Directors, Regional Directors etc.) but the window of opportunity is here now, for once the territories are assigned, it will be harder to be a Team Leader. Here is what we are looking for: a) Be a Director. b) Be a Leader and a producer as seen by your down-line and up-line. c) Be 100% committed to CBI - you cannot have any interest either directly or indirectly, either actively or passively, in any MLM or direct sales organization. Exceptions are if you are verifiably in a direct sales organization by profession, or are earning income passively from an activity that you began before your first contact with CBI.

As you know, I don't like the MLM industry. Those of you who have heard me speak at leadership meetings have heard me refer to MLM's as "cheat games". I feel that the MLM industry is a pool of people - most of them

CBI Ex No 8
12-1-92 ILC

downlines from each other. These downlines are then churned through the latest program to make money - people enter the industry and are churned until they can churn... one good churn deserves another! That's why we ask that our Team Leaders not be part of the "cheat game".

We started our company without the MLMer's, we restricted MLMer's from raiding their downlines to come into our company, we do not want any part of the "cheat games".

If you want to be a Team Leader, become a Director (5 levels filled) ASAP, then write to Buddy Gardiner here at the home office ATTN:Team Leader. Be sure to include your name, address, Affiliate # (ssn) and the first 3 digits of the zip codes in which you are interested. Also include the population of the area. Remember, the U.S. is for the taking!

4) Our normal commission cycle allows us to release checks by the end of the following month - for example we release checks by the end of July for June's business. But if you are an old timer (you have been an Affiliate for more than a year) it is possible that your commission check is slightly lower than expected this month. This is because we were delayed 1 month on annual renewals. Everyone who should have been renewed on your pay levels (Members that were 1 year old in July) will be drafted the next month. Your commission check should be slightly higher than you expect next month due to the payment of back dues. This also means that if you should have been drafted for an annual Membership renewal it will happen 1 month late.


* 5) Legal Update: We have voluntarily suspended operations in 3 states - Arkansas, Iowa and Oregon. In Virginia, we have separated the Membership from the Affiliateship, but we are in full operation. Due to some very positive developments we will have some news for you shortly.

6) If you liked the CGI prices in the Membership news letter, what you will really like is that we didn't even put our best foot forward. The CGI catalogue - official release date Sept. 11th. - has 3 categories i) Super Value ii) Competitive Value iii) Convenience Value (these items are frequently sold as lost leaders). The prices that you received were mistakenly from category iii!

7) The Spectrum Awards for June were as follows: 5-8 apps - \$342.89, 9 apps - \$897.03, 10-14 apps - \$1,685.90, 15 apps - \$2,949.90, 16-22 apps - \$5,576.70, 24 apps - \$6,576.70... Look at these numbers carefully and see which category you would like to be in for September. This is a sales person's dream, our product gives someone on the average \$2 for every \$1 and if you had 16 people agree say "yes" to such an attractive deal in June you made over \$5,000!

8) By the way, the Leaders by last month's write-in ballot were: Nancy A. Hiltibran, Bill & Rena Batt, Vince Eysoldt, Cathy Kelley and Karen Kiehl. There were over 300 other people mentioned but these were the 5 most mentioned. We had just under a 3% response rate... we need to do better than that if we are acting together as a team. This month tell me if you think CGI should carry tobacco products - vote "yes" or "no", include your name and ssn. We need to make this decision so please respond. I would like to see a 5% response rate this month. Send responses ATTN:Tobacco.

See you next month,


Keith Hanieri

The Dream Team

Since Consumers' Buyline, Inc.'s inception in May 1990, we have brought on board some of the most experienced individuals to assist us in our development. We would like to take this time to introduce you to some of these people.

Keith Raniere President, CEO, Noted as one of the 3 top problem solvers in the world. He has a problem solving rarity of greater than 1 in 400 million. With degrees in Mathematics, Physics, Biology, minors in Psychology and Philosophy with expertise in computers and systems analysis. Mr. Raniere designed and formulated the mathematical model of the marketing plan, marketing strategy and all of the practical and philosophical foundations of CBI. He is the primary founder of Consumers' Buyline Inc. and has utilized his problem solving abilities to bring this company from zero to a 100 million dollar company in less than 2 years. Compared to the first year, Consumers' Buyline Inc., has grown over 20,000% which will make it #1 on the Inc. 500 fastest growing privately held corporations when it qualifies in 1994.

Mr. Raniere is also a National Sales Trainer with over 15 years experience. In 1989, Mr. Raniere personally recruited and trained 6 out of the top 10 producers in a National company with over 250,000 sales reps.

Karen Unterreiner, F.S.A., M.A.A.A. - Chief Financial Officer.

Ms. Unterreiner, by profession, is an Actuary. She is a Fellow of the Society of Actuaries as well as a Member of the American Academy of Actuaries. Ms. Unterreiner left her position with Milliman & Robertson, Inc., a prominent actuarial consulting firm, in January 1991 to work with us full-time. Ms. Unterreiner first became involved with Consumers' Buyline in May 1990 as one of its founders and directors. She now oversees the financial security of the company as the Chief Financial Officer.

George Weiss - Corporate Counsel, VP of Business Development.

Mr. Weiss brings to Consumers' Buyline over 20 years of experience in numerous areas of acquisitions, corporate financing, and management. Mr. Weiss was the CEO of the Cadmus Group, LTD. (an investment and leverage buyout firm). In a matter of 4 years, Cadmus led and/or participated in 4 leveraged acquisitions totaling \$109.5 million, 2 private placements totaling \$3.1 million and a \$25 million refinancing and capital reorganization.

During the 2 1/2 years prior to this, Mr. Weiss was the CEO of the Devan Corporation (an investment and banking venture capital firm). During this period the Devan Corp. participated in 5 acquisitions totaling \$59.5 million, 5 private placement totaling \$43.7 million, 2 institutional financings totaling \$20.5 million and 2 public offerings totaling \$20 million. Prior to this activity, Mr. Weiss had retired as a senior partner and member of the executive committee of one of the most prestigious law firms in Manhattan.

David Sheets - Vice President of Operations.

Mr. Sheets was appointed as Vice President of Operations for Consumers' Buyline on May 1, 1992. Mr. Sheets spent the past 24 years in the United States Army, retiring as a Lieutenant Colonel. His experience there included formulating and executing the operating budget for the largest health care training facility in the world, the U.S. Army Academy of Health Sciences, as well as commanding a M*A*S*H unit. Mr. Sheets was also assigned to the Pentagon as a Congressional Actions officer and was highly decorated in the Vietnam War. Some of his awards and decorations include: Legion of Merit, Distinguished Flying Cross (awarded 3 times), Bronze Star Medal, Purple

Heart, Meritorious Service medal (awarded 5 times), Air Medal (awarded 18 times), Army Commendation Medal (awarded 2 times).

Susan Robinson - Director of Operations.

Ms. Robinson brings a broad range of experience in banking, government, non-profits and small businesses to Consumers' Buyline. Most recently, Ms. Robinson was the head of her own New Jersey consulting firm specializing in organizational analysis and design, work flow processing, and systems analysis for small business and not-for-profit organizations. As a Vice-President for Citibank, N.A., she was responsible for Customer Service and Quality Assurance for two large computer based products. Previous to that, she performed similar work at Barclays Bank and prior to that she spent 12 years with the City of New York as a systems analyst and systems development manager.

Thomas Delaney, VP, Chief Information Officer.

As of Sept. 8, Mr. Delaney has left his current position to join us here at CBI. As Director of Operations for Cochrane Hospital Supplies, Inc., Mr. Delaney automated and streamlined a company which grew from \$5 million to \$20 million during his first 6 years of leadership. Mr. Delaney then pioneered a healthcare version of ANSIIX.12 electronic interchange system (EDI) which was adopted nationwide by a group of independent healthcare distributors to form a \$600 million healthcare franchise network. The franchise is about to grow even larger, because this EDI technology has just been acquired by Micro Bio-Medics (MBMI on NASDAQ), a \$100 million national healthcare company.

As an engineer at United Technologies, Mr. Delaney developed Ground Data Processing Systems for airlines around the world. He has also founded two successful companies: Brookside Architectural Studio, P.C. and Medical Spectrum Technologies (MST).

MST currently has a patent pending for an IV flow sensor. Mr. Delaney presented this product in a paper at the American Association of Medical Instrumentation (June 1990).

Paul Doughty, VP Processing Technology.

Mr. Doughty is leaving his current position at the American Stock Exchange to join CBI. He was responsible for all the internal workings and computer needs of the American Stock Exchange. In addition, Mr. Doughty has developed an enterprise-wide, integrated client/server information system to support all of the American Stock Exchange back office business functions.

Mr. Doughty brings to us a wealth of experience in the areas of hardware architecture development, software database design, data communications, and processing technology. He has also had an MIS role at several banking institutions which has given him expertise in the area of monetary transaction processing. He developed money transfer procedures for a major international bank and a bank holding company.

James Raniero, VP Advertising.

Mr. Raniero is one of the giants in advertising. He created one of the very few (less than 100 out of all the commercials ever created) commercials to be inducted into the Clio Advertising Hall of Fame. Formerly the Chief Creative Executive at Bozell & Jacobs, he now is in charge of all our advertising and marketing materials.

consumers' buyline inc.

100 Sitterly Road Clifton Park, New York 12065 (518) 383-5950

Dear Affiliate,

September 24, 1992

For the past few check letters, I have not been able to write much more than the new news. The saga continues... It's actually quite exciting to have so much happening and so many positive changes.

1. Our computer systems and organization have improved immensely since both Thomas Delaney and Paul Doughty have joined our team (see The Dream Team for bios). If anyone had any worry about our computer systems those worries are over... our computer department is a done deal. How many other marketing organizations have even one individual as qualified as either Tom or Paul? With both of these committed individuals, CBI has arrived and is here for the long haul!

2. The Spectrum Awards for July were 23=\$6,437 18-21=\$5,437 9-17=\$1,542 5-8=\$320... just imagine that, over \$300 per order if you sold 18!

3. Anyone wanting a Regional meeting from corporate in their area should contact A.V.P. Deborah Pinkerous. We have received many inquiries and have decided to formalize the process through Deborah.

4. The expanded Membership and Newsletter have been receiving excellent reviews. At this point, many Members have also received the additional bi-monthly CGI catalog. Within the next few editions the product selection will greatly expand.

As an important note: There are some Members who look only at the groceries and feel that including the shipping and handling, our prices are not low enough. All of us should remember the following 4 points. 1) There is a lot of value in some of the non-grocery items that we offer. 2) If you factor in shipping and handling, you must also factor in on the other side of the equation, the time that you save, and even the price of the gasoline saved going to and from the store, not to mention the convenience... one person was complaining of paying \$5 more on an order and I said "Forget the time and other monies saved... wouldn't you pay someone \$5 to deliver your groceries to your door?"... the answer was yes! 3) Unfortunately grocery prices are what they are... the prices we get you are pretty much the truck-load prices. In an industry where the mark-up is just under 17% you can only do so much. What CGI allows you to do is buy in a way that is best for you - not the grocer. We give you the ability to know which items are being price inflated in your store... we also allow you to buy an increasing number of items through us if you choose. We are just like the Consumer Reports of the grocery industry because we make no money on your grocery purchases. 4) The upgraded \$3 per month not only covers the Membership Newsletter and the increased services (250,000 products increased to 600,000 etc.), it also covers all of CGI! In effect CGI is a bonus at no additional cost!

5. The CGI catalog contains several additional items of interest, such as, High grade sweatshirts for \$7.50, and Durk Pearson and Sandy Shaw's "designer food" nutritional products. These products are carried by an MLM, but our prices are about half of that MLM's wholesale prices! There are many more

specials to come.

6. The tobacco survey so far shows that our Members and Affiliates favor CGI carrying tobacco products by a ratio of 2 to 1.

7. We now have thousands of direct sales people joining the Awaken direct sales team. During October we are having a contest for people who want to retail Awaken. The highest retailers in each area (first 3 digits of your zipcode i.e., 120XX) may win a permanent override in their area depending on their volume retailed... sort of a mini-franchise. We are also looking for the most exceptional retailers to not only have an override on their area, but possibly an override on their whole state! For those who want to claim an area, now is the time to set-up the commercial accounts and also to retail the product. If you are going to build an Awaken retail sales team, YOU CANNOT RECRUIT ANY CBI AFFILIATES THAT ARE NOT IN YOUR IMMEDIATE DOWNLINE. IN ALL CASES UPLINE DOWNLINE INTEGRITY MUST BE MAINTAINED. You are of course free to recruit any non-CBI Affiliates.

* 8. We have reached agreements in principal with several Attorney Generals/regulators. These will be implemented over the next few months. This concludes almost 2 years of work and has resulted in a standard that will shape the rest of the industry... imagine that! I would hate to be any company that has to follow us! Well, from my perspective that is not quite accurate. More accurately stated, putting all regulatory issues aside, I would hate to be any other company.

* By all of us sticking together, we are becoming the second company to pierce the legal barrier (and I might add with no national "bad press")... and the regulators are not looking to have many others follow. Without getting into details, I believe that the MLM industry will be radically changed and there will be fewer companies within the next year or so.

10. Study the additions to the Compensation Plan. During the month of October we will be picking some Team Leaders and State Team Leaders to have overrides on territories... do you want a territory... a state... imagine if you had an override on all business in a territory or a whole state? We are looking for the people who sell the most Memberships, sponsor the most Affiliates, and who have downlines that sell the most Memberships. Here are the top 102 3 digit zipcodes in the nation (these are the first 3 digits of the zip codes: 782, 282, 770, 296, 750, 967, 992, 495, 490, 945, 112, 923, 900, 301, 761, 300, 787, 302, 497, 773, 280, 752, 956, 760, 913, 373, 366, 826, 995, 598, 278, 019, 762, 207, 287, 786, 474, 980, 365, 917, 452, 902, 331, 303, 678, 731, 370, 293, 959, 780, 606, 494, 283, 775, 730, 371, 747, 734, 554, 310, 070, 990, 776, 958, 838, 630, 330, 781, 748, 544, 668, 660, 493, 168, 021, 852, 764, 372, 328, 295, 794, 688, 462, 388, 374, 056, 982, 840, 756, 751, 339, 103, 703, 941, 907, 327, 078, 891, 146, 307, 294, 100.

We are looking to give the highest producers in or around these areas a territorial override. Many of these will be decided this month. You may also earn an override if you can produce 100 or more Membership sales in your area (3 digit zip) and you are the top producer - even if it is not on the list.

10. As of October 1, we will be expanding the marketing plan by raising the commissions on personal sales. We are also eliminating all selling agent bonuses and putting that money into the Spectrum fund. This will allow us to reward our producers even more. As of Nov. 1 we are stopping the Director bonus and putting the funds back into the Spectrum bonuses. This is partially due to settlement discussions. So you have one more month to qualify for the Director bonus... under the enhanced program there will be another type of compensation for Directors.

11. Now for the extended plan (this is NOT a NEW plan, it is based on the description in the Red Book with higher commissions):

<u>Plan without extensions</u>			<u>Plan with extensions</u>		
Overrides	Personal Sales		Overrides	Personal Sales	
20%	20%	Sales 3-10	20%	20%	Sales 3-10
25%	25%	" 11-74	25%	30%	" 11-42
50%	50%	" 75+	50%	70%	" 43+
5% Regional/National 20% Incentive bonus to 3rd level Affiliates when you make a 25% Sale.			5% Regional/National 30% Incentive Bonus to 3rd level Affiliates when you make a 30% sale.		

Note 1: In the current plan there are 64 sales needed at 25% before you can advance to the 50% level. In the extended version you need only 32 sales at 30% before you can advance to the 70% level... that's \$10.50/mo. for every Membership on this level!

Note 2: Memberships will no longer be visible on your Affiliate team. Therefore, sell as many Memberships as you can, and pick a few select Affiliates to join your team. As per our settlement negotiations, Affiliates will need to become Qualified within a 90 day period of their sign-up date. What we have found is that 99.9% of all Affiliates who will become Qualified actually do so within 90 days of sign-up.

Note 3: Now you can make more money in a shorter amount of time because of the greatly increased commissions in the extended plan.

Within the next 60 days, details of the extended Marketing Plan will be released. This will happen along with the Team Leader Program, the settlements, and the instant Membership kits. Please don't wait for these bells and whistles; "be successful now".

12. Here is a summary of facts that make us the best opportunity alternative:

1. Our computer executives (see bios in the last check letter). We have appointed an incredible CIO (Chief Information Officer) and recruited the top person from the American Stock Exchange!

* 2. We are at the very end of legal scrutiny. It's clear sailing from here.


3. We have doubled our Membership and added 2 monthly Member Newsletters and a bi-monthly catalog. The past chief economist of the Federal Trade Commission demonstrated that even before we enhanced our membership, active members saved double the cost of the membership. Additionally, they saved a good deal of time. The value of the Membership and the Member Newsletters make this a turn-key system. Plug the Members in and the system does the rest.

4. We are handing out territories and states to serious builders. Now is the time that someone can get involved and earn a territory of their own. Any serious opportunity seeker needs to consider this along with the above. Never before has there been an opportunity like this. This is a perfect enhancement to our existing downline structure. Many people, who are tired of the down-line games, and who want to make a career of marketing in a mature fashion, love the idea of having personal territories along with our current downline structure.

5. We are 2 1/2 years old and have survived all that can happen in the first 2 years with a rapidly growing company. Have you ever heard of a company with 250,000 people go down because of growth pains? We are now going beyond what any MLM or direct marketing company has ever done... come be a part of it with us!

6. We have further enhanced our Marketing Plan, raising the commissions. These commissions can now be as high as 70%.

Enjoy, and look forward to new developments next month,


Keith Rahiere

P.S. Please fill out and return to Deborah Pinkerous at the Home Office if you hold CBI meetings.

Speaker:

Time:

Day:

Location:

Street:

City:

State:

Zip:

Phone (day):

(night):

How often (weekly, monthly etc.)?

Is this meeting open to all CBI Members/Affiliates (yes/no)?

Can we list your meeting on our master list (yes/no)?

If yes, you will be included in a regular conference call for updates etc. from the home office.

consumers' buyline, inc.

Optional Administrative Services Summary Report

Reflecting activity before: 02/01/92

Date run: 02/15/92

Summary Report for: [REDACTED]
Social Security No. [REDACTED]

[REDACTED] 02/15/92

The number of members in your total organization is: 110
The members in your first 9 levels are distributed as follows:

Lvl	Feb	Mar	Max	\$Feb	\$Mar	\$Max
1	2	2	2	\$ 0.00	\$ 0.00	\$ 0.00
2	3	3	4	\$ 0.00	\$ 0.00	\$ 0.00
3	6	6	8	\$ 18.00	\$ 18.00	\$ 24.00
4	8	8	16	\$ 0.00	\$ 0.00	\$ 0.00
5	13	13	32	\$ 0.00	\$ 0.00	\$ 0.00
6	21	22	64	\$ 78.75	\$ 82.50	\$ 240.00
7	21	24	128	\$ 0.00	\$ 0.00	\$ 0.00
8	8	11	256	\$ 0.00	\$ 0.00	\$ 0.00
9	3	6	512	\$ 22.50	\$ 45.00	\$3840.00
<hr/>						
	85	95	1022	\$ 119.25	\$ 145.50	\$4104.00

Total dollars generated: \$1275.00

Total dollars commission: \$ 119.25

Earnings as a percentage of revenue: 9.35%

Next month earnings will be: (assuming everyone pays their dues): \$ 145.50

You had 0 personal sales this month.

Your selling bonus income from your personal sales is: \$ 0

Your residual income is: \$ 119.25

Misc. adjustments from unpaid or back dues is: \$ 0.00

This means your total check is for: \$ 0.00

Legend for the Fill column:

First space contains number of levels filled.

Second space contains: - if person not qualified, * if person is new

+ if person has more than 3 levels filled.

SEC 000040

CBI Ex No 9
12-1-92 ILC

02/15/9

#	Name	Upline Lvl	Fill	#	Name	Upline Lvl	Fill
(b)(7)(C)							

Summary report for levels 10 and below (b)(7)(C)): ~~CONFIDENTIAL~~

Level	People
10	3
11	3
12	2
13	2
14	3
15	2

~~CONFIDENTIAL~~

SEC 000042-

CONSUMERS' BUYLINE, INC.
ADDITIONAL POLICIES AND PROCEDURES
Effective July 1, 1991

To all Consumers' Buyline Inc. Affiliates:

Since the inception of Consumers' Buyline Inc. and its marketing activities months ago we have elucidated certain areas of business that need additional and/or elaborated corporate policies. In order to clarify any question in these areas, and to assure the continued high ethical standards of the company and it's Affiliates, the following additional Policies and Procedures have been adopted effective July 1, 1991 and by their notice to our Affiliates have become a part of their Affiliate Agreement:

If an Affiliate or Member knowingly participates in any violation of Policies and Procedures, or allows any such violation to go unreported, they may be terminated and liable for an amount up to treble the assessed damages.

1. Subsequent to the effective date of this Policy and Procedure, each Affiliate, although he/she may have more than one Affiliateship with the Company, must have the same upline sponsor for each Affiliateship in which he/she has an interest.
2. Changes of sponsorship are prohibited, no exceptions. Affiliates in the same household shall have the same upline sponsor. If an Affiliate terminates his/her Affiliateship, he/she may not rejoin under another upline sponsor until a period of 6 months of inactivity and non-affiliation has passed.
3. No Affiliate may charge or require payment of a prospective Affiliate and/or Member in connection with the prospect's receipt of information concerning the Affiliate opportunity and/or the Consumers' Buyline Inc. membership.
4. No one may copy, reprint or in any way reproduce company materials without the written permission of the company. Affiliate generated materials must receive written approval from the company before distribution and distribution must be limited to the scope of the approval. Any Affiliate knowingly buying, selling or using non-approved materials shall be terminated and liable for treble all incurred damages.
5. The formation and utilization of formal or informal cooperative (co-op) arrangements between Consumers' Buyline Affiliates is encouraged, subject to the following conditions (this policy covers all co-ops including those formed before July 1, 1991):
 - a. All Affiliates of Consumers' Buyline Inc. who decide to join the co-op must be Qualified Affiliates. The co-op membership may not be presented to non-qualified Affiliates. Affiliate membership in any co-op shall be on a monthly basis with an absolute right of each Affiliate to withdraw from the co-op at any time without penalty.

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CB1 EX 10
12-92 JCC

- b. Monthly co-op dues shall not exceed \$25.00 without the prior written permission of Consumers' Buyline.
- c. If an Affiliate has financial interest in another lineage (including upline and downline Affiliateships), they must support their primary line (that line into which they sponsored first) at least as much as each subsequent line. In other words if said Affiliate recruits an individual into a co-op they must first recruit an individual into their primary line of sponsorship (individuals recruited previous to the forming of a secondary Affiliateship do NOT count).
- d. Each co-op shall provide to its Members, including those who have dropped out of the co-op membership during the proceeding ninety (90) days, with a written income and expense statement at least once each ninety (90) days.
- e. Co-ops may elect to have a formal agreement, charter, rules, etc. governing the co-op. If such are undertaken by a co-op, a copy thereof must be immediately filed with the Consumers' Buyline home offices and are subject to the approval of Consumers' Buyline. All Co-op policies, elections, and procedures must be approved in writing by Consumers' Buyline Inc. In particular, any use of co-op resources must be approved in writing by Consumers' Buyline Inc. Misuse of co-op funds shall be grounds for immediate termination of Affiliateship.
- f. The co-op may not be announced, explained or mentioned during any function where the Consumers' Buyline Inc. marketing plan or Membership is explained. Co-op meetings must be held at a separate location and on a different date. As an exception to this one may mention that a particular event or speaker is sponsored by the co-op and that an informational meeting for all those Affiliates who are qualified and interested will be held on a separate night.
- g. If a co-op member receives any compensation from the co-op (cash or otherwise) they cannot be required to "buy-in" or pay for a membership to the co-op. This violates lottery laws and certain security statutes.

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SEC 000032

AMPLIFIERS, CAMERA ACCESSORIES, CARS, CAR STEREOS
AL SERVICES, CASSETTE DECKS, CD PLAYERS, CEILING FANS
KEYBOARDS, CHANDELIERS, CHINA, HOW TO COMPACT
COUNTRY SKI MACHINES, COOKTOPS RAISE, CRYSTAL
DISPOSAL YOUR DIAMONDS
DISK STANDARD DRYERS
GLASSES OF EXERCISE
BIKES LIVING LAMPS

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HAVE
MORE

GUARANTEED EXCLUSIVE LOW PRICES OR
WE'LL DOUBLE THE DIFFERENCE

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 RONIC KEYBOARDS • EYEGLASSES • EXE
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 BENCHES • FURNITURE • GLASSES • GF
 NS • GROCERIES HOME DELIVERED • HE
 HOME EXERCISE MATS • HOME HEALTH
 CTS • HOTEL ACCOMMODATIONS • INTE
 G SERVICE • JEWELRY • KEYBOARDS • L
 L SERVICES • LIGHT PICK-UP TRUCKS • L
 TANCE • TELEPHONE SERVICE • LUGGA
 IES • MICROWAVE OVENS • MODEMS • M
 AL INSTRUMENTS • MUSIC SOFTWARE • I
 URCHASE PROTECTION • OUTDOOR LIGH
 P.A. SYSTEMS • PEWTER • PERSONAL CC
 EMS • PORTFOLIOS • PORCELAIN FIGUR
 E KEYBOARDS • PREPAID DENTAL • PRES
 INES • PLOTTERS • PRINTERS • PULSE M
 GES • REAL ESTATE REFERRALS • RECO
 ATORS • ROWING MACHINES • RUG SHAI
 ERS • SEWING MACHINES • SEWING CAE
 S AND CHAIRS • SHORT NOTICE TRAVEL
 LVER PLATE AND STAINLESS STEEL FLAT
 MADE PRODUCTS • STAIR CLIMBERS • ST

Table of Contents

THE PROBLEM AND THE SOLUTION	4
THE SOLUTION IN DETAIL	7
PRODUCT DIRECTORY	
Appliances	8
Home Electronics	8
Home Furnishing	8
Leisure	9
Personal and Recreational	9
Personal Health Aids	10
Relocation Services	11
Vehicles, Recreation and business	12
Financial Services	12
Skin Care	14
Worldwide and Nationwide Travel	15
Groceries	16
Legal Referral Network	17
Optical Services Network	17
Earning Money with Consumers' Buyline Inc.	19
Incentives	20
Beware	22
The Full Picture	25

DON'T SPEND ANY MORE THAN YOU HAVE TO ON ANYTHING ANY MORE.

Every month, the average American family spends \$200 more than it has to.* But they really have no choice. They're all alone in the marketplace, where one consumer's voice is merely a power-less whisper.

Well, it doesn't have to be that way anymore. That lone consumer can now have the power of millions of consumers. Millions of consumers united together into a powerful buying machine represented by one of the best negotiating teams in the country, "Consumer's Purchase Power" (commonly known as "Purchase Power").

Consumer's Purchase Power has been negotiating long and hard for 28 years to get the guaranteed finest values in the finest products and services.

We at Consumers' Buyline Inc. have made special arrangements with Purchase Power to bring this buying advantage to you.

When you're out buying something, it's from a source representing someone else. (The ads you read, the commercials you see and hear, the smiling clerks you talk to, even organizations that say they work for you but make money on your purchases, all represent someone else.) Ours is the source that works for you.

Consumers' Buyline is supported purely by consumers like you. We represent only you. We never take a cent from any of our merchants or vendors, even though we bring them substantial extra business. This is one of the reasons we can guarantee exclusive low prices on your purchases made through us.

So you're no longer shopping without representation. Because you are represented, finally, by a professional team that's working for you, and looking out for your best interests.

Beyond looking out for your best interests, we back your every transaction with Purchase Power's consumer protection experts, the most effective such negotiators in the country. Any transaction whether through our vendor network or not is included. So whenever you do anything as a consumer you have a personal protection team that will, if necessary, step in on your behalf.**

Noah Fuhrman, founder of Purchase Power and author of *Seven Keys to Increase Your Standard of Living (Without Increasing Your Income)*, MacMillan (1981), started it all. He's the reason we can call Purchase Power a true consumerist services organization.

*Figures derived from the Statistical Abstract of the United States, 1989.

**Disputes that begin during your membership year with stores or vendors, your travel vacation arrangements, grocery buying, or just buying anything — whether you have bought the product through Consumers' Buyline or not. The Consumer Action Team has never failed to resolve a legitimate consumer complaint to the member's satisfaction.

JOIN US
HELP
PEOPLE
HAVE
MORE

• CASES • BINOCULARS • BRIEFCASES • CAMERAS •
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 DIAMONDS • DISHWASHERS • DISK DRIVES • DISPOSA
 NITS • DOUBLE ON WARRANTY PROTECTION • DRYER
 ELECTRONIC KEYBOARDS • EYEGLASSES • EXERCISE
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 AIDS • HOME EXERCISE MATS • HOME HEALTH CARE
 PRODUCTS • HOTEL ACCOMMODATIONS • INTERSTATI
 MOVING SERVICE • JEWELRY • KEYBOARDS • LAMPS
 • LEGAL SERVICES • LIGHT PICK-UP TRUCKS • LONG
 E • DISTANCE TELEPHONE SERVICE • LUGGAGE • LU
 AGAZINES • MICROWAVE OVENS • MODEMS • MONITC
 MUSICAL INSTRUMENTS • MUSIC SOFTWARE • NINET
 DAY PURCHASE PROTECTION • OUTDOOR LIGHTING
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 AND SILVER PLATE AND STAINLESS STEEL FLATWARE
 SKIN-CARE PRODUCTS • STAIR CLIMBERS • STEREO
 RECEIVERS • SOFT CONTACT LENS REPLACEMENTS
 INGLASSES • SYNTHESIZERS • TAPES • TRACK LIGHTII
 RAVEL SERVICES • TREADMILLS • TURNTABLES • WOF
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OVER 250,000 NATIONAL BRAND NAME PRODUCTS YOU CAN NOW GET FOR GUARANTEED EXCLUSIVE LOW PRICES.

Have you ever purchased a product, and then later seen it for less? And didn't that make you feel cheated? Well, with our system, you'll never feel cheated again.

If you later find you didn't get a guaranteed exclusive low price on any of the 250,000 nationally-advertised products (in over 40 categories, virtually all makes, and current models, with full manufacturer's warranties and all), Purchase Power will make sure you are paid double the difference.

Which means that if you buy something through us, and later find that you could've gotten it for, say, \$100 less elsewhere, you'll get double that \$100: \$200. This even includes going-out-of-business sales, closeouts, or any buying group or club! You will never feel cheated. And that's what we mean when we talk about guaranteed exclusive low prices.

This is because what Consumers' Buyline specializes in is exclusives. Nobody offers what we offer at the same price. In some cases, what we offer nobody offers at any price.

On top of this, whatever the manufacturer's warranty is on what you've bought, it can be doubled (except for cars) up to an additional 12 months even if you buy outside the plan.

What do you have to do to get any of these 250,000 products at plan prices? Just dial the toll-free 800 number we'll give you, and know the make and model of what you want. You'll get home delivery if it's within our power to get you the product.

So, you can believe it when we tell you that Consumers' Buyline (1) raises your standard of living (2) saves you time shopping (3) makes your shopping more convenient (4) gives you exclusive special services (5) gives you superior consumer protection (6) gives you double the difference money back guarantee assurance.

APPLIANCES

Major Appliances: Refrigerators, washers, dryers, ranges, ovens, disposal units, microwave ovens, compactors. Such brands as: GE, Maytag, Whirlpool.

Sewing Machines: Home and Commercial sewing machines, sergers, sewing machine cabinets and chairs. Such brands as: Singer, Elna, Finesse, Brother, Juki, National, Horn.

Vacuum Cleaners: Shop vacs, home built-ins, commercial uprights, canister vacs, rug shampooers, rug extractors, home and commercial floor polishers. (Note: Certain brands are warranted solely by the vendor.) Such brands as: Eureka, Hoover, Panasonic, Regina, Royal, and refurbished Rainbow.

HOME ELECTRONICS

Stereo Components: receivers, turntables, cassette decks, CD players, speakers, amplifiers, car stereos. Such brands as: Onkyo, Pioneer, Sony, Technics.

TVs and Video Equipment: TV sets, VCRs, video cameras. Such brands as: Magnavox, Panasonic, Sony.

Computers: Personal computer systems, monitors, printers, modems, add-on boards, disk drives, keyboards, plotters. Such brands as: NEC, Okidata, Toshiba, Citizen, ITT.

Word Processors: Portable, Laptop, Diskette, Internal hard-drive.

HOME FURNISHINGS

Carpeting: Buy carpeting over the telephone: That's right. Just visit your local dealer and select the name-brand carpeting of your choice. Note as many details as you can: manufacturer's name, style, color, numbers and of course, measure the area you want to cover.

Then call our toll-free number and they'll quote you a per-square-yard price (color charts and samples available).

Oh yes, the brands: Lees, Mohawk, Philadelphia, for a start.

Furniture: Our vendor is factory authorized for over 300 fine name brands.

Ceiling Fans: America's leading quality fans.

China, Crystal, Silver & Giftware: Including silver and silverplate flatware, stainless flatware, pewter, porcelain figurines. Such brands as: Gorham, Lenox, Reed & Barton, Wedgewood, Baccarat, Fitz & Floyd, Royal Doulton.

Collector Items and Figurines: Brands such as Norman Rockwell, Duncan Royal, Armani, Lladro, Hummel, Precious Moments.

Lamps & Lighting: Including chandeliers, track and outdoor. Such brands as: Murray Feiss, Stiffel, Quoizel, Federick Cooper.

LEISURE

Magazine Subscriptions: Order virtually any popular or special interest magazine at a low, low price. And get an automatic renewal notice, a gift subscription service, and centralized subscription transfers if you move. Also: You get incredible value on renewals.

Records, Tapes, Compact Discs: If you can buy or order it in a record store, you can order it at super low "twofer" prices. (Sorry, record singles and 8-track tapes not available.) Order by mail and allow about ten days for UPS delivery. (You might want to allow a bit longer for rare selections.)

Any two LPs or Tapes: \$9.98

Any two Compact Discs: \$21.96
(Maximum prices as of April, 1990.)

Double record albums, cassettes, CDs available for even better value. Shipping charge per order—\$3 up to four selections. \$6 up to 8 selections.

PERSONAL AND RECREATION

Cameras: Including 35mm, instant, weatherproof, accessories (flashes, lenses, cases), binoculars too. Such brands as: Canon, Minolta, Ricoh.

Exercise Equipment: Rowers, stationary exercise bikes (note: not road bikes), free weights, treadmills, cross country ski machines, exercise mats. Such brands as: Tunturi, Universal, Bodyguard.

Jewelry: Fine watches, fine jewelry, diamonds. How fine? Artcarved, Mikimoto, Rolex, for starters.

Luggage: Also briefcases, portfolios, attaché cases, travel accessories. Such brands as: Samsonite, Ventura, Boyt, Delsey.

Musical Instruments: Brass, woodwinds, percussion, amplifiers, PA systems, electronic tabletop and portable keyboards, synthesizers, music software. Such brands as: Casio, Fender, Yamaha.

PERSONAL HEALTH AIDS

Contact Lens Replacement: Low, low preferred prices on Fashion Tints, Extended Wear, Daily Wear any top brand in exact prescriptions. 30-day, 100% money-back guarantee upon return of undamaged lenses in original vials. Contacts are shipped UPS in factory-sealed vials. Such brands as: Bausch & Lomb, Ciba, Sunsoft.

Prescription Medicines: Call the toll-free number for price quotes and to order. All orders filled by licensed pharmacists and mailed the day they are received, complete with itemized receipt and reorder form. If the prescription is refillable, pharmacy service guarantees one refill within six months at the original quoted price if the manufacturer has raised the price. The service will advise you when the last prescribed refill has been made, and, at your request, will call your physician for an authorized prescription extension.

Home Health Care Products: Wheelchairs, walkers, canes, commodes, ostomy supplies, blood pressure machines, convalescent aids, etc. Such brands as: Ames, Invacare, Squibb.

Prepaid dental plans (Covering key cities in 40+ states. Affordable dental care — as low as \$8 per month — without

deductibles, claim forms, or exclusions). A neighborhood pharmacy program (over 20,000 pharmacies fill prescriptions at average wholesale prices), and a hearing aid program with exclusive low prices and comprehensive services.

RELOCATION SERVICES

Real Estate: Retain 1% on virtually any home you buy or sell due to reduced broker commissions. (That can mean \$1500 on a \$150,000 home.)

In addition to preferred rates, you can be confident that you're dealing with reputable, licensed, service-conscious real estate brokers.

The Plan is easy. When you're ready to buy or sell (and before contacting a broker), call the toll-free number in your membership package and give all the relevant information. The Real Estate Referral Service will then arrange for a participating local real estate broker to contact you.

When you sell your home through the Plan, you're charged a low, preferred commission rate.

When you buy your home through the Plan, you and the broker first come to a tentative agreement on the price. Then the broker informs the seller that "he" or "she" is voluntarily changing his/her commission to a special rate. This is his/her obligation to you, passed on in the form of a low price.

UNITED VAN LINES INTERSTATE MOVING

Call the Interstate Moving Program. Get exceptionally low preferred rates on packing, unpacking, transportation, and accessorial charges. Plus, as a member of a very important "group" account, especially attentive service.

Your move will be handled by key owners/agents of United Van Lines. They make all arrangements, explain all charges, and answer all of your questions. You even have access to a special toll-free troubleshooting hot line to call any time during your move should any questions arise.

VEHICLES, RECREATION AND BUSINESS

Cars, Vans, Light Pick-Up Trucks: Price quotes, guaranteed exceptional value on new vehicle purchases through the use of two services:

(1) **Computerized Dealer Cost Print-out:** Order computerized price printouts on the model of your choice. Virtually all makes and models available (as in all our other product categories). Printout will list standard equipment and every available factory installed option. Dealer cost and manufacturer's suggested retail price are shown for the base vehicle and every factory installed option. All other factory invoice charges are detailed. You call toll-free to order printouts and either charge the \$10.00 to your credit card or send a check. Each printout comes with special worksheets that you can use to "build your own car" on paper and determine in advance the price you will pay. Use the printout to negotiate intelligently with your local dealer, or purchase most domestic models through the program.

(2) **Purchasing a Domestic Vehicle through the Plan.** Domestic vehicle printouts also list a negotiated profit margin. You can, after ordering your printout, buy most models through the Plan (paying only dealer cost, plus the negotiated profit margin and other factory invoice charges such as freight). The service will arrange delivery to a local service-conscious dealer. **NOTE:** Purchases available only while manufacturer is in production.

FINANCIAL SERVICES

Complete Quotation Service: On individual and group term life and health, single premium deferred annuities, and long term care (nursing home insurance). The only time this will cost you anything is if our quoted price is lower than your current price for a comparable service, and you decide not to take advantage of our quote, then the cost is only \$10.

Complete Personal Financial Analysis: A 50-pages-plus plan will be prepared based on member-supplied information.

It will analyze member's net worth, assets vs. liabilities, disability income, life insurance, even provide a plan for college and project a Special Cash Goal. This is all for \$100, instead of the up to \$350 that is standard.

Debt and Credit Disclosure: You'll get all the help you need to get your credit report from the three major reporting agencies in the U.S. You'll be provided with (1) a complete disclosure of all coded symbols and terminology, (2) help in clearing up any factual discrepancies, and (3) any necessary arbitration.

Of course, any and all information will be treated as strictly confidential. All this and more will cost only \$125, elsewhere this could cost as much as \$395.

Social Security—Government Program Information

Searches: At a cost of \$5, that's right, \$5, you'll get official pre-addressed and postage-paid forms. This will allow you to get a complete disclosure from the federal government, of all monies received on your account and posted to your Social Security earnings and credit file. This plus a complete list of our available services for specific searches into government, public and private programs that could, for instance, help you start a new business.

Business and Corporate Start-Up Plans, Incorporation

Services: \$225 for a Delaware corporation instead of the standard charge of up to \$375. And incorporations in all other states available at equally preferential rates.

All financial services to Consumers' Buylane members are provided with an unconditional money back guarantee by the respected Pinnacle Financial Services firm.

The Pinnacle Unconditional Money-Back Guarantee: The people behind Pinnacle Financial Services, Inc., being fellow CBI members/affiliates, want to insure your complete satisfaction with our materials and services, so we make this unconditional guarantee: If at any time within the 90 days

after receiving any of our completed materials or services, you are dissatisfied in any way, please keep the materials and/or services with our compliments, write us a brief note as to why you were unhappy so that we may improve our service in the future and you will receive an immediate and complete refund of all monies paid for the product and/or service in question.

SKIN CARE

Enter a world of skin-care products unlike anything you've ever experienced, up to now priced well beyond your means.

This skin-care products line has been in development for 17 years under the close guidance of Susan Ciminelli, one of the world's leading skin-care experts, using the finest labs and the finest research scientists. Ciminelli has achieved recognition from The New York Times, The London Times, Time magazine, Vogue, Bazaar, "W", Elle, and a number of other international sources including top fashion models, to whom skin perfection is a personal and professional must.

This entire line is available exclusively through Consumers' Buyline at closer to manufacturing prices than anyone in the industry can afford to offer—virtually direct from lab prices. We are giving you the highest class of product at as low as 1/5 of the price of what we could charge.

We have strived for the highest quality and the highest ingredient cost in the business (the finest of everything). In fact our lab refuses to work with some of the largest cosmetic marketing companies because these companies refuse to spend what it takes to make such high quality products. If anyone used ingredients comparable to ours they would probably have to sell their product for at least double our price to you.

So cost need never again deny the average person access to this exclusive top salon-caliber skin care. Especially since Consumers' Buyline has complete exclusive rights to this line.

WORLDWIDE AND NATIONWIDE TRAVEL

Airfare Research, Reservation, and Ticketing Service: Exceptional fares. 5% refund after you fly. \$150,000 free life insurance. Free research for the lowest available car rental rate at your destination airport.

And with your first ticket purchase, a full year of these twelve toll-free services:

- (1) **Lost Luggage Locator Service:** You get luggage tags with a special toll-free telephone number. If your luggage is misplaced, finder calls the special operations center and our travel agency arranges the rest.
- (2) **Emergency Cash Service:** If you're ever stranded without cash or credit cards, our travel agency will wire up to \$1,000 to the nearest Western Union office. (The amount is charged to your credit card.)
- (3) **Emergency Lost Ticket Replacement Service:** If you're stranded, and lose your credit cards and even your airline ticket, our travel agency will provide an airline ticket to your destination. (The ticket is charged to your credit card.)
- (4) **Round-the-Clock Traveler's Message Service:** Call toll-free 24 hours a day, 365 days a year, to leave or receive up to ten messages per month.
- (5) **Hotel and Motel Reservation Service:** All at our exceptionally low preferred rates.
- (6) **Tours, Travel Packages, Charters, Cruises:** Preferred rates for any advertised trip. Plus trip cancellation insurance that's free to you and at a preferred rate—for your travel companions.
- (7) **Value Directory:** Including special preferred rates at 1,000 hotels, motels, and many hotel restaurants.
- (8) **Movie Tickets:** Special preferred rates.

- (9) Special Rates on Vacation Condo Rentals: Worldwide through preferred rate clearing houses.
- (10) RV Rentals: Exceptionally low rates.
- (11) Short-Notice Travel: Low, low preferred rate travel hot line.
- (12) Spa Vacations: Preferred Rate Reservation Service, Worldwide Directory, with full descriptions of facilities, services, activities, packages, prices, everything.

GROCERIES

We have a special optional program that will get your groceries delivered free—right to your door. You not only get your guaranteed exclusive low prices, but 10% across-the-board beyond that. This will not only conserve your money, but your time as well. And time is money.

Couponing: Just order the manufacturer's grocery coupons of your choice from a list of 1,000 nationally-advertised items. If you're a member of our home-delivery service, you can actually double the face value of your coupons up to 75¢. Order as often as you like. Most of our coupons have no expiration dates. This means no searching and clipping week in, week out. Again, this conserves your time and your money.

Refunding: Learn the complete "how to" of efficient easy refunding by sending for your free issue of *Moneytalk*, the premier refunding publication. More than \$1,000 worth of current cash-back and merchandise offers.

Choosing the Right Supermarket: You'll get easy-to-follow instructions and a sample chart, enabling you to quickly determine which supermarket will save you the most in a given week, without running from store to store.

Use all of our benefits regularly and you can conserve 50% and more on your grocery expenses.

LEGAL REFERRAL NETWORK

Free Consultations: You get three, on three different topics. Use one for a general "legal checkup", bring your will, leases and contracts for review. You get any additional consultations at a unique preferred rate. (Sample price: one simple will for \$30.)

Toll-Free Attorney Hot Line: Our nationwide legal network has 2300 firms in every state. All participating attorneys have a minimum of five years experience.

Activate your benefits by sending \$3 postage and handling fee within 30 days. You get a Network ID card, full instructions, and an 800 number for referrals to local network attorneys.

OPTICAL SERVICES NETWORK

4500 Independent and Chain-Operated Centers, Nationwide: All purchases and fittings at extraordinary preferred prices from a complete selection of leading frames—designer included—and lenses, in any color, size, tint, including UV-coating and scratch protection.

All eyewear comes with an unconditional 30-day guarantee.

Activate benefits within 30 days by sending \$3.25 to cover postage and handling. Personal checks or credit cards accepted. You'll get your membership card, full instructions, and an 800 number for locations of the nearest participating centers. (Use this service wherever you travel in the U.S.)

Designer Sunglasses: Get a special toll-free number to order yours at cost-plus prices. Such brands as: Ray-Ban, Serengeti, Vuarnet.

Our goal at Consumers' Buyline is to have over 40 million families under our membership umbrella. To do this we are constantly increasing what our membership offers. The more members we get, the better the membership for all of us. Come, join us help people have more!

Have you ever discovered a really great restaurant, and then told all your friends about it?

And then your friends probably told their friends!

It feels good to spread good news, doesn't it?

Would you feel less good if that restaurant gave you money for each heartfelt recommendation? No matter how many friends passed that recommendation to how many friends? And it's all traced back to you.

Better yet, you get paid for it all. In other words — you are our marketing force.

And: there's no product you have to buy.

No inventory you have to maintain.

Nothing for you to get stuck with.

No records for you to keep.

No paperwork for you to keep up with.

Absolutely nothing for you to lose.

And you don't have to go into business — not even part-time.

Here's how it works.

Most of our competition requires you to find five "good people," to start a network that can earn you money. But the truth is, the average person can only find about 2.6 "average" people.

Even a company that only requires you to recruit as few as 3 people takes advantage of the little guy — the average person. This is because recruiting 3 people is beyond what most people will actually ever accomplish. This is why our requirement is just 2 people, which is well within the reach of the average person.

With companies that make you bring in more than that, only a few people make a lot of money from the efforts of the many who are unrewarded.

We let the average person make good money even with a one-time effort. So what you have is a program beneficial to everyone involved — even if that means everyone in America —

and a marketing method that has met unprecedented success.*

Our product price is \$39 annually, and \$15 monthly, cancelable any month. The unique marketing plan enables everyone to participate.

You earn a commission up front on your first two members, then, in addition, increasing residual commissions, generations down the line, like this:

MEMBERS

SPONSORED

Commission

3-10 _____ 20% of \$15/mo. fee (\$3.00/mo. for each member)

11-74 _____ 25% of \$15/mo. fee (\$3.75/mo. for each member)

75+ _____ 50% of \$15/mo. fee (\$7.50/mo. for each member)

But you don't even have to sell 75+ memberships personally to be eligible for the 50% commission rate. We want to appeal to the average person — remember that person who will only be able to sponsor about 2.6 Members and/or Affiliates.

To be eligible to make residual commissions, all you have to do is sell two memberships. This is something the average person can do. On the average, what are those two new members, if they decide to sell with us, going to do? Become affiliates and sell two memberships each.

And so the team grows, bringing your total up toward that 75+ level. You see, you don't have to do all the work to be successful — Not with Consumers' Buyline — That's what teamwork is all about. And you don't have to go into a month-after-month business to get your earned money.

What you have is a program that gets better and better.

*According to evaluations conducted by three boards of independent full-time marketing professionals during our first year, Consumers' Buyline was rated number one. All members of the investigating boards, have been in the network marketing field for at least ten years and have proven themselves, by their income and network success, to be of national prominence. **ALL HAVE CHOSEN TO BECOME CONSUMERS' BUYLINE AFFILIATES.**

The values get better as more people get involved. Now you can understand why we need you as much as you need us.

What you have is producers paid for production.

What you don't have is anyone earning money from anyone else's unrewarded time or production.

What you don't have is high-salaried officers taking advantage of other people's marketing efforts.

Now, there are five basic Consumers' Buyline income phases.

First Phase: _____ Affiliate

Second Phase: _____ Director _____ \$200-\$2,000/month

Third Phase: _____ Regional _____ \$2,000-\$10,000/month

Fourth Phase: _____ National _____ \$10,000+ /month

Fifth Phase: _____ Five Star _____ \$30,000+ /month minimum

This is all found money — walkaway income — money that just keeps spilling into your wallet no matter what you're doing. In other words: think of it as a royalty reflecting your ongoing rights to something you've already created. Better yet, think of \$200 per month royalty income as though you suddenly had \$48,000 in the bank, while 5% interest piles up.

So the only question that remains is "Do you want the money that is due you for your word of mouth advertising?"

What Consumers' Buyline doesn't do is just as important as what Consumers' Buyline does do.

Most organizations require more of you when you're earning \$5,000 a month than when you're earning \$50. Why? The only logical reason has to be that they have more to threaten you with.

1. WE DON'T force you to go into business with us to get the money that you earn. We give you true word-of-mouth

income. If you bring referral business to a restaurant, you shouldn't have to go into the restaurant business — even in your spare time — to be paid for it. If you bring us business, you don't have to go into our business to be paid for it. This allows anyone to profit as much as possible from just spreading the word — even if it's done only twice.

2. WE DON'T use your accomplishments against you. —
 - (a) We don't raise your quotas, threatening to take away the people you brought in and the income that came with them. If you really own your own business this can't happen.
 - (b) We don't increase the time you have to spend as your income increases — or again threaten to take away what you've already earned.
3. WE DON'T make you work for as little as possible
 - (a) by paying officers a salary — money that should go to all of us.
 - (b) by making you sell month after month... after month... after month...
 - (c) by using the marketing plan, as many company founders do, as a way to get other people, including yourself as a marketer, to pay them. It is these founders who have "found the opportunity" by giving the other opportunity seekers what is in actuality a job.
4. WE DON'T make you sign up more than two people. (When considering another business just ask yourself, "How much can I earn if I sign up two average people who sign up two average people... and we all sell the minimum?" If the answer is "not much," then it's a case of robbing the average person to feed the incomes of a few select individuals.)
5. WE DON'T claim to work with only above-average people. Why? Because such organizations are incapable of getting their product to the average person. Someone always winds up getting stuck with a garage full of product, a product that never makes it to the average person.

6. WE DON'T allow "buy-ins." A distributor cannot advance to a higher commission level simply through buying more product. Nor will there ever be a situation where you will have to buy a product to keep your level. This is wrong. At Consumers' Buyline, levels are earned, not bought.
 7. WE DON'T market an overpriced product. The only people that would buy such a product would be opportunity seekers trying to make a sales quota.
 8. WE DON'T try to make it sound like everybody's going to earn a lot of money. Why not? Because typically, the average person working one of these "opportunity of a lifetime" deals makes under \$1,000 a year — while putting in so many hours to earn it, that their hourly rate turns out to be below minimum wage. Some opportunity.
- In our business, we have created the documented best opportunity. But even those who don't earn money, who are members, will get the exceptional benefits of our group.
9. WE DON'T link our product to an opportunity. This is what it boils down to: Would you buy the product you're selling from a store? At the price you're selling it? If the answer is "no," then don't join the business no matter how good it looks. It is merely using the word "opportunity" as an excuse to sell an unneeded, inflated-priced product.
 10. WE DON'T make you pay to join. Except optionally, if you want to be one of us as a member. Beyond this, you pay no sign-up fees, no computer fees, nothing.
 11. WE DON'T make you buy any product.
WE DON'T make you maintain any inventory.
WE DON'T make you keep any records.
WE DON'T make you keep up with any paperwork.
WE DON'T make you buy anything to get stuck with.

Isn't it time you had someone on your side?

Consumer Action Service: Each and every program provided by Consumers' Buyline Inc. is fully backed by its professionally-staffed Consumer Action Service — the most effective in the country. In the unlikely event that you receive less than superior treatment on price, delivery, or service, contact them. They'll promptly investigate and intervene to bring the matter to a satisfactory conclusion. This service will also resolve almost any consumer problem, including disputes with department stores, public utilities, contractors, and more — transactions that are not related in any way to Consumers' Buyline Programs.

In its many years of operation, the Consumer Action Service has never once failed to resolve a legitimate complaint to the member's satisfaction.

Doubled Manufacturer's Warranty — 90-day Protection — On All Purchases (except cars): We double the repair period of the manufacturer's warranty (up to an additional 12 months) and protect your purchases against fire, loss, damage, or theft — for free.

Mail us your purchase details, and we'll send you a toll-free number to call in the event of a service or claim need. This benefit applies to all purchases, whether or not you bought through the network, and whether you use a credit card or cash.

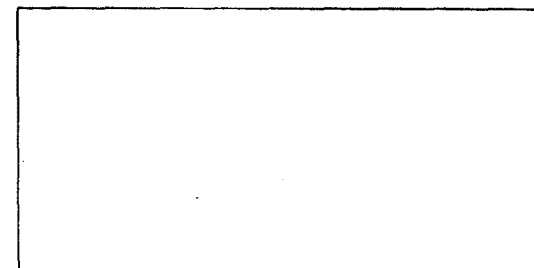
What's It All Worth to You: You can easily get the full value from your membership on a year's worth of travel, or just by using your grocery coupons, or by having the groceries delivered to your door. Or if you purchase merchandise for yourself, or as gifts from the Merchandise Network.

It's important to know that whatever you use, Consumers' Buyline is about more than raising your standard of living. It's about uniting with others so that your voice will be heard in the marketplace. It's about having top professionals on your side, getting you what the most powerful group in America — consumers — deserve: special attention.

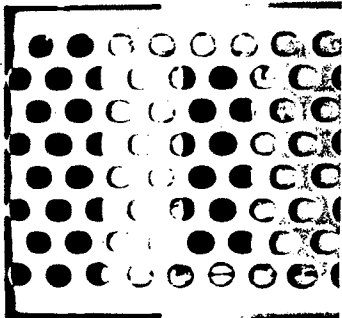
When you have Purchase Power benefits, you're benefitting others, too. A portion of Purchase Power's revenues goes to the Consumer Empowerment program, a charitable fund founded by Consumer Cause, the original parent company of Purchase Power, dedicated to attacking the root causes of despair and drug abuse in the poorest communities. Participants get literacy and consumer training, combined with a "take charge of your life" approach that helps them break their cycle of hopelessness.

Consumers' Buyline memberships cost \$39.00 annually and \$15.00 monthly, cancellable any month. Affiliates, people who sell memberships, are not required to buy any memberships.

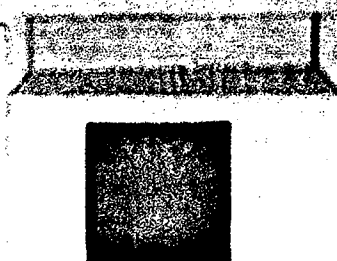
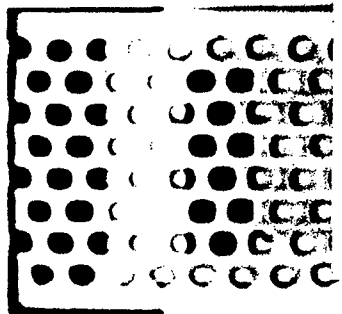
consumers' buyline inc.



Independent Affiliate name, address, and phone number:



Open Marketing™
with
consumers' buyline inc.



CBI Ex No 12
12-1-92 ILB

consumers' buyline inc.

BEGINNING STAGE:

1. Affiliate

Any person who is sponsored into the team becomes an Affiliate and runs a Center. Earn \$5 per sale.

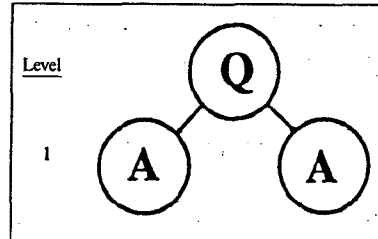
Center



2. Qualified Affiliate

An Affiliate who has sold two memberships, and who has sponsored two other Affiliates. Earn 20% per month on personal sales volume and be eligible for spillover and downline monthly overrides on levels 3, 6 and 9 of 20-50%.

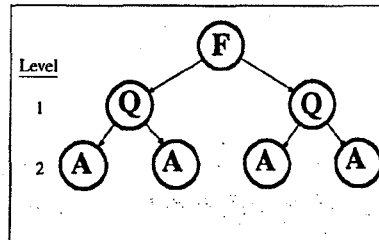
Qualified Center



3. Full Affiliate

A Qualified Affiliate who has four 2nd level Affiliates. One way of doing this is for the 1st level affiliates to become Qualified. Earn 20-50% on all spillover, downline and personal monthly volume on levels 3, 6 and 9.

Full Center

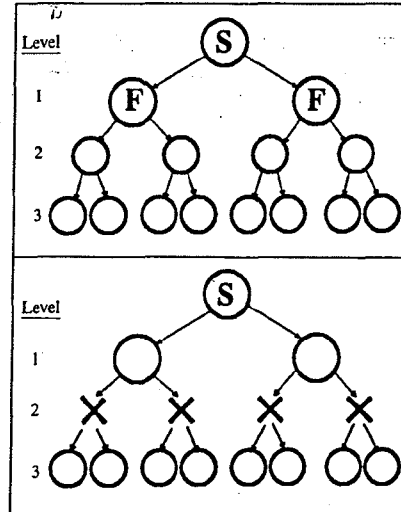


INTERMEDIATE STAGE:

4. Senior Affiliate

A Senior Affiliate has his/her third level filled. This can be accomplished by directly sponsoring and selling (causing spillover) and/or by helping the firstline Affiliates to become Full Affiliates. Earn a 25-50% on spill-over, down-line and personal sales on levels 3, 6, and 9. At this point you are profitable; earning more money than the monthly price of CBI's optional service package.

Profit Center



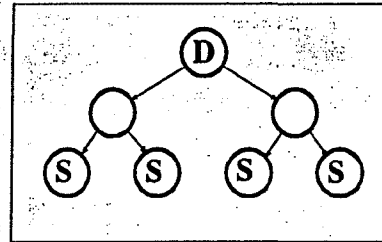
Open Marketing™ Plan

ADVANCED STAGE:

5. Director

A Director has a filled fifth level. Each of the Director's branches have at least 16 people on their fourth level (the Director's fifth level). This is a significant step, because the Director may now choose to expand by sponsoring a third firstline affiliate.

Multiplex



5a. Star Director

Star Directors have more than 2 branches filled to 5th level. As each new branch fills to the 5th level, a new one may be started. The following are qualifications and bonuses for the different star directors:

#5th level branches	Title	% override (6th to 11th level)
3.....	1-Star	3
6.....	2-Star	4
9+	3-Star	5

6. Regional Director

Has at least 128 memberships on level 7. Earns 3% on all levels past 11th. Must be a qualified Director.

Regional Multiplex

7. National Director

Has at least 512 memberships on level 9. Earns 5% on all levels past 11th. Must be a qualified Regional Director.

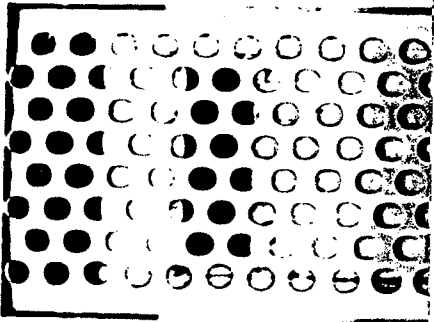
National Multiplex

*Higher Development Levels

For info on 1- to 4-Star Regional Directors, 1- to 5-Star National Directors: see The Play Book.

**Spectrum Awards

Monthly production awards ranging from \$144.00 to \$100,000.00+.



Levels of the Team:

Affiliates have 2 spots, potentially, for 1st level people, 4 spots for 2nd level people, 8 spots for 3rd level people, up to 512 spots for the 9th level. The object of our marketing plan is to fill as many of these spots as possible by using our rules of filling these positions. For commission purposes, sales by 1st level affiliates are considered to be 2nd level memberships, sales by 2nd level affiliates are considered to be 3rd level memberships, etc.

How these spots are filled:

First priority: fill 1st level spots (either by the Affiliate, or by spillover from his/her sponsor). After that, additional people brought in by the Affiliate go:

A
On the Affiliate's 3rd level, until it is filled, then on the 6th level, then on the 9th.

OR

B
In the highest available position in the Affiliate's team.

The sponsoring affiliate can choose which method to use on a sale-by-sale basis.
Note: Every affiliate must sell at least 2 memberships to be eligible for team overrides.

Commissions:

Commissions are based on the level where sales fall in the team.

Sales spill over the same way sponsoring does: your sales go on your 1st, 3rd, 6th, 9th level; OR on the highest level possible in the team. It's up to the Affiliate.

For each sale, affiliates are paid a \$5.00 one-time sign-up fee.

20% commission (\$3.00 out of \$15.00) is earned from each member on an affiliate's 3rd level. 25% (\$3.75) is earned from each member on the 6th level, and 50% (\$7.50) is earned from each member on the 9th level. These commissions are earned regardless of who sold the membership.

Spillover:

Spillover is generated when any affiliate personally sells more than 2 memberships and/or sponsors more than 2 affiliates. The spillover is placed in priority order underneath affiliates that are already in the team. This is how an Affiliate can make sales for his/her downline. This is truly a team effort.

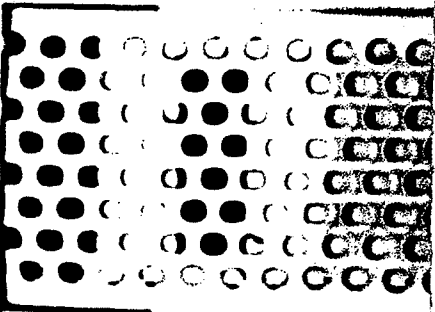
Spectrum Awards:

Each month, the affiliates who sell the most memberships are eligible for Spectrum Awards. Of all affiliates who sell 2 or more memberships that calendar month, the top 5% (1 in 20) earn Spectrum Awards. The higher awards are won by the top 1 in 100 affiliates, and so on, as follows:

Top Sellers	Minimum Award
1 in 20	\$144
1 in 100	\$540
1 in 500	\$1,800
1 in 5,000	\$9,000
1 in 50,000 (or top producer)	\$90,000

The actual award will generally be higher than the minimum. Also, those affiliates who qualify for the higher awards will also qualify for the lower ones. Thus, someone who earns the top award will get a minimum of \$90,000 + \$9,000 + \$1,800 + \$540 + \$144 = over \$100,000.

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ENHANCED MARKETING PLAN

The purpose of this document is to provide you with introductory information on the Enhanced Marketing Plan. The Enhanced Marketing Plan became effective on October 1, 1992. As you read the following guidelines, you will see that the Enhanced Marketing Plan is designed to help you achieve success as a Consumers' Buyline, Inc. Affiliate.

BASIC TERMS

Member

A person who has bought a membership. Members have Sponsors and Selling Agents.

Affiliate

A person who sells a membership. Affiliates have Sponsors. Affiliates sponsor new Affiliates and Members, and sell Memberships.

Selling Agent

An Affiliate who presents the membership to prospects and makes the Sale. They may work with another Affiliate to make their training sales, or independently.

TRAINING

Affiliate Certification

From the time the Prospective Affiliate's Application arrives in the home office, they will have 90 days to fulfill the following requirements:

1. Attend a training session for Affiliates.
2. Complete TWO Training Sales by working directly with and observing another Affiliate, who will be the Selling Agent.

If the prospective Affiliate makes one sale, but is unable to complete the 2nd sale within 90 days, the first sale will be credited to the Selling Agent listed on the Member Application. The prospective Affiliate will then need to repeat the steps above within a 90 day period beginning when they submit a new Affiliate Application.

SALES ORGANIZATION

Placement

Affiliates are placed in a 2 x 8 marketing training structure and arranged in teams. The teams perform membership drives, selling and adding memberships to Membership lists (see Personal Commissions below).

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Personal Commissions

Monthly residual commissions for personal sales on \$15.00 out of the monthly Membership dues, fall into the Membership List as follows:

<u>List</u>	<u>Position</u>	<u>Commission</u>
	1,2	Training
1 ----->	3-10	20% of \$15
2 ----->	11-42	30% of \$15
3 ----->	43 +	70% of \$15

Each Affiliate can order a Membership Report that shows a sequential list of the Memberships they have personally sponsored. In addition, a summary page will include commissionable Membership sales made by their team. Both the list and summary page will show into which commission percentage each Membership sale falls. Each Affiliate's list is unique.

Team Sale Commissions

Team Sales are earned as follows:

20% commission on your 2nd level Affiliate's Training Sales (\$3.00 each)

25% commission on your 3rd level Affiliate's 20% List (\$3.75 each)

As the Sales Team grows, your commissions on some sales may reach 50%.

Breveting/Bumping and Compression

The Training Sales from your 2nd level Affiliates occupy spots on your 20% List, and appear in spots on the Sponsor's Training List. If your 20% List is full due to your personal sales, then those sales will be Brevetted, or Bumped to the 30% List.

The opposite also happens...If a Member cancels their Membership, your List will Compress to fill the vacancy. Affiliates must always have two personally sponsored memberships in order to earn commissions and team sales. If an Affiliate only has two, and one cancels, then the Affiliate must sponsor another membership within a 30 day grace period, or cease to earn commissions or team sales.

Profit Center

A Profit Center is an Affiliate who has personally sponsored two Affiliates and filled their 20% List.

Awards and Bonuses

All the commissions described above are residual. They are paid each month the Member is enrolled, except for the first month. The Member dues from the first month are ~~put into a pool of money that is divided among~~ Affiliates who are the Selling Agents for 2 or more Memberships in a calendar month. This is called the Spectrum Award.

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For each Member on your 30% List, CBI sets aside a dollar amount equal to your commissions (\$4.50) as an Incentive Bonus for your 3rd. level Affiliates. The award is divided proportionally among those Affiliates based on cumulative personal sales. The diagram below shows an example.

Affiliate A receives a larger Incentive Bonus for January because the cumulative total is more than B's. But they receive the same in February since they have sold the same cumulatively. In March, Affiliate B receives a larger Incentive Bonus because B's cumulative total is more than A's.

Optional Administrative Service (OAS)

You may order the OAS from the home office. It includes a monthly Affiliate magazine, Membership Report (see Personal Commissions above), and a Downline Report (a list showing the level and number of Affiliates in your Sales Team).

TRANSITION TO THE ENHANCED MARKETING PLAN

For the person who was an Affiliate of Consumers' Buyline **BEFORE** October 1, 1992. The Enhanced Marketing Plan separates Members and Affiliates into two distinct groups.

Membership Placement

All Memberships sold by an Affiliate before October 1, 1992 will be "grandfathered" into the Enhanced Marketing Plan. The Affiliate will continue to be paid the same commission on those Memberships. Therefore, your check amount will not change. If an Affiliate has 3rd level Memberships, up to 8 of those Memberships will be placed on their 20% commission list. If the 20% list is full, all Personal Sales made after October 1, 1992 will be placed on the 30% or 70% commission lists, following the Breveting Principle.

Affiliate Qualification and Placement

The placement of Affiliates does not change.

~~If you as an Affiliate, have not sold two Memberships as of October 1, 1992, you will have 90 days to get the one or two Memberships you need. You can make these sales directly. You do not have to follow the Training procedure for Affiliate Certification mentioned on page 1.~~

consumers' buyline inc.

100 Sitterly Road Clifton Park, New York 12065 (518) 383-5950

Dear Affiliate,

September 24, 1992

For the past few check letters, I have not been able to write much more than the new news. The saga continues... It's actually quite exciting to have so much happening and so many positive changes.

Our computer systems and organization have improved immensely since both Thomas Delaney and Paul Doughty have joined our team (see The Dream Team for details). If anyone had any worry about our computer systems those worries are over... our computer department is a done deal. How many other marketing organizations have even one individual as qualified as either Tom or Paul? With both of these committed individuals, CBI has arrived and is here for the long haul!

The Spectrum Awards for July were 23=\$6,437 18-21=\$5,437 9-17=\$1,542 -8=\$320... just imagine that, over \$300 per order if you sold 18!

Anyone wanting a Regional meeting from corporate in their area should contact A.V.P. Deborah Pinkerous. We have received many inquiries and have decided to formalize the process through Deborah.

The expanded Membership and Newsletter have been receiving excellent reviews. At this point, many Members have also received the additional bi-monthly CGI catalog. Within the next few editions the product selection will greatly expand.

An important note: There are some Members who look only at the groceries and feel that including the shipping and handling, our prices are not low enough. All of us should remember the following 4 points. 1) There is a lot of value in some of the non-grocery items that we offer. 2) If you factor in shipping and handling, you must also factor in on the other side of the equation, the time that you save, and even the price of the gasoline saved going to and from the store, not to mention the convenience... one person was complaining of paying \$5 more on an order and I said "Forget the time and the monies saved... wouldn't you pay someone \$5 to deliver your groceries to your door?"... the answer was yes! 3) Unfortunately grocery prices are what they are... the prices we get you are pretty much the truck-load prices.

In an industry where the mark-up is just under 17% you can only do so much. What CGI allows you to do is buy in a way that is best for you - not the other way. We give you the ability to know which items are being price inflated at your store... we also allow you to buy an increasing number of items through us if you choose. We are just like the Consumer Reports of the grocery industry because we make no money on your grocery purchases. 4) The graded \$3 per month not only covers the Membership Newsletter and the increased services (250,000 products increased to 600,000 etc.), it also covers all of CGI! In effect CGI is a bonus at no additional cost!

The CGI catalog contains several additional items of interest, such as, high grade sweatshirts for \$7.50, and Durk Pearson and Sandy Shaw's "designer food" nutritional products. These products are carried by an MLM, but our prices are about half of that MLM's wholesale prices! There are many more

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specials to come.

5. The tobacco survey so far shows that our Members and Affiliates favor CGI carrying tobacco products by a ratio of 2 to 1.

7. We now have thousands of direct sales people joining the Awaken direct sales team. During October we are having a contest for people who want to retail Awaken. The highest retailers in each area (first 3 digits of your zipcode i.e., 120XX) may win a permanent override in their area depending on their volume retailed... sort of a mini-franchise. We are also looking for the most exceptional retailers to not only have an override on their area, but possibly an override on their whole state! For those who want to claim an area, now is the time to set-up the commercial accounts and also to retail the product. If you are going to build an Awaken retail sales team, YOU CANNOT RECRUIT ANY CBI AFFILIATES THAT ARE NOT IN YOUR IMMEDIATE DOWNLINE. IN ALL CASES UPLINE DOWNLINE INTEGRITY MUST BE MAINTAINED. You are of course free to recruit any non-CBI Affiliates.

8. We have reached agreements in principal with several Attorney Generals/regulators. These will be implemented over the next few months. This concludes almost 2 years of work and has resulted in a standard that will shape the rest of the industry... imagine that! I would hate to be any company that has to follow us! Well, from my perspective that is not quite accurate. More accurately stated, putting all regulatory issues aside, I would hate to be any other company.

By all of us sticking together, we are becoming the second company to pierce the legal barrier (and I might add with no national "bad press")... and the regulators are not looking to have many others follow. Without getting into details, I believe that the MLM industry will be radically changed and there will be fewer companies within the next year or so.

9. Study the additions to the Compensation Plan. During the month of October we will be picking some Team Leaders and State Team Leaders to have overrides on territories... do you want a territory... a state... imagine if you had an override on all business in a territory or a whole state? We are looking for the people who sell the most Memberships, sponsor the most affiliates, and who have downlines that sell the most Memberships. Here are the top 102 3 digit zipcodes in the nation (these are the first 3 digits of the zip codes: 782, 282, 770, 296, 750, 967, 992, 495, 490, 945, 112, 923, 00, 301, 761, 300, 787, 302, 497, 773, 280, 752, 956, 760, 913, 373, 366, 26, 995, 598, 278, 019, 762, 207, 287, 786, 474, 980, 365, 917, 452, 902, 31, 303, 678, 731, 370, 293, 959, 780, 606, 494, 283, 775, 730, 371, 747, 34, 554, 310, 070, 990, 776, 958, 838, 630, 330, 781, 748, 544, 668, 660, 93, 168, 021, 852, 764, 372, 328, 295, 794, 688, 462, 388, 374, 056, 982, 40, 756, 751, 339, 103, 703, 941, 907, 327, 078, 891, 146, 307, 294, 100.

We are looking to give the highest producers in or around these areas a territorial override. Many of these will be decided this month. You may also earn an override if you can produce 100 or more Membership sales in your area (3 digit zip) and you are the top producer - even if it is not on the list.

0. As of October 1, we will be expanding the marketing plan by raising the commissions on personal sales. We are also eliminating all selling agent bonuses and putting that money into the Spectrum fund. This will allow us to reward our producers even more. As of Nov. 1 we are stopping the Director bonus and putting the funds back into the Spectrum bonuses. This is partially due to settlement discussions. So you have one more month to qualify for the Director bonus... under the enhanced program there will be another type of compensation for Directors.

1. Now for the extended plan (this is NOT a NEW plan, it is based on the description in the Red Book with higher commissions):

<u>Plan without extensions</u>			<u>Plan with extensions</u>		
Overrides	Personal Sales		Overrides	Personal Sales	
20%	20%	Sales 3-10	20%	20%	Sales 3-10
25%	25%	" 11-74	25%	30%	" 11-42
50%	50%	" 75+	50%	70%	" 43+
5% Regional/National 20% Incentive bonus to 3rd level Affiliates when you make a 25% Sale.			5% Regional/National 30% Incentive Bonus to 3rd level Affiliates when you make a 30% sale.		

te 1: In the current plan there are 64 sales needed at 25% before you can advance to the 50% level. In the extended version you need only 32 sales at 25% before you can advance to the 70% level... that's \$10.50/mo. for every membership on this level!

te 2: Memberships will no longer be visible on your Affiliate team. Therefore, sell as many Memberships as you can, and pick a few select affiliates to join your team. As per our settlement negotiations, Affiliates will need to become Qualified within a 90 day period of their sign-up date. What we have found is that 99.9% of all Affiliates who will become Qualified actually do so within 90 days of sign-up.

te 3: Now you can make more money in a shorter amount of time because of the greatly increased commissions in the extended plan.

Within the next 60 days, details of the extended Marketing Plan will be released. This will happen along with the Team Leader Program, the settlements, and the instant Membership kits. Please don't wait for these bells and whistles; "be successful now".

Here is a summary of facts that make us the best opportunity alternative:

1. Our computer executives (see bios in the last check letter). We have appointed an incredible CIO (Chief Information Officer) and recruited a top person from the American Stock Exchange!

2. We are at the very end of legal scrutiny. It's clear sailing from here.

3. We have doubled our Membership and added 2 monthly Member Newsletters and a bi-monthly catalog. The past chief economist of the Federal Trade Commission demonstrated that even before we enhanced our membership, active members saved double the cost of the membership. Additionally, they saved a good deal of time. The value of the Membership and the Member Newsletters make this a turn-key system. Plug the Members in and the system does the rest.

4. We are handing out territories and states to serious builders. Now is the time that someone can get involved and earn a territory of their own. Any serious opportunity seeker needs to consider this along with the above. Never before has there been an opportunity like this. This is a perfect enhancement to our existing downline structure. Many people, who are tired of the down-line games, and who want to make a career of marketing in a mature fashion, love the idea of having personal territories along with our current downline structure.

5. We are 2 1/2 years old and have survived all that can happen in the first 2 years with a rapidly growing company. Have you ever heard of a company with 250,000 people go down because of growth pains? We are now going beyond what any MLM or direct marketing company has ever done... come be a part of it with us!

6. We have further enhanced our Marketing Plan, raising the commissions. These commissions can now be as high as 70%.

Enjoy, and look forward to new developments next month,

Keith Raniere

P.S. Please fill out and return to Deborah Pinkerous at the Home Office if you hold CBI meetings.

Speaker:	Time:	Day:
Location:	Street:	
City:	State:	Zip:
Phone (day):	(night):	

How often (weekly, monthly etc.)?

Is this meeting open to all CBI Members/Affiliates (yes/no)?

Can we list your meeting on our master list (yes/no)?

If yes, you will be included in a regular conference call for updates etc. from the home office.

Here is a comprehensive summary of a presentation (each of the sections labeled 0-9 can be written on que cards). Don't be too shy to use notes for a presentation, presidents do it, scientists do it, the only people that don't are actors (and you're not acting). If you do use notes, your audience will feel less intimidated over the possibility of their doing a presentation. Remember DO NOT try to hide the notes - that does look silly; say up front "I organized my thoughts and jotted them down ahead of time so I could cover everything in a good order, I hope you don't mind my referring to my notes to keep myself on track." or "This is the summary that everyone in our business uses, it is necessary so that no part of our message is changed from person to person. Do you mind if I refer to this summary to keep myself on track?"

0. Introduction. Except for a 1 on 1 presentation, all speakers must be introduced (in the calendar program this is done by the apprentice). To introduce someone say three (3) things:

- a. Their name.
- b. How you know them.
- c. A positive trait that you like about them.

1. Warm-up.

This is a people business, so when you go through the items below feel free to add personal comments smile and enjoy yourself. Example: My name is Keith Raniere and I'm the president of Consumers' Buyline. One of the things that I enjoy most in life is to play the piano.

- a. Your occupation.
- b. What you enjoy most in life.
- c. How you met the person that you are doing this presentation for. If you are doing the calendar program, this would be the person who is the apprentice, if you are doing a group meeting, it would be the person who introduced you, if you are doing a 1 on 1 skip this and the next (d).
- d. What you like the most about the person in c.
- e. If you are a member, why you joined, if not, why you feel someone should join.

2. Audience warm-up.

Ask name, occupation, and what they like to do the best of each person in the audience. If the audience is too large for this (more than say 5), have the people find someone they don't know or know the least and do the above. Presenter should take the odd person.

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3. Statement of purpose.

"We are a membership, and what we are looking to do is expand our membership by having membership drives. The more members we have, the better the membership is for all of us. The larger our numbers the more things we can all have."

4. Statement of non-pressure non-sales.

"We also don't believe in forcing people to sign-up. If you see something that you like - we would love you to become a member. If not, that's fine also. Take the information home, think about it, if you or anyone that you know would like more information for the future - feel free to come back and ask questions. The most important thing is to have fun and enjoy what we show you."

5. Presentation.

At this point you can use the cartoon Flip-chart, or you can use the following format:

a. The three (3) reasons why we are beneficial to consumers.

i. The group concept - group buying, group rates and uniting with 4 million consumer families.

ii. The concept of representation - we are the ONLY source that represents you. When ever you buy something you are buying from people or organizations that represent someone other than you. Only a source that doesn't make any money on your purchases - like Consumer Reports - represents you.

iii. Experience. We have a professional negotiating team that has worked full time for the past 28 years to build what we currently have. This very same professional team is at your disposal for any problems that may arise for you as a consumer. For example; if you have a problem with a gas station they will come in and arbitrate the situation.

b. The price of our membership is \$39 annually and \$15 per month.

i. This is cancelable any month, so you can't lose. We are not out to obligate people to paying us money, we are out to have a productive valuable membership where people are happy to be members.

ii. If you think about have professional representation for this price it is an incredible deal. This combined with the benefits that we already have, 28 years of experience, and the future benefits that we will be able to get is all very exciting. You can think of it as hiring a professional negotiator with 28 years of experience to be your full-time personal shopper.

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c. Review the benefits. Mention at least 6 benefits - to most people, unless they are counting, any number greater than 5 is many.

d. Testimonials. Again try to have at least 6 possibly from different parts of the membership. "Our company slogan is 'Join Us, Help People, Have More'. Here are some examples of how members of our group have had more." Remember things like time saved, groceries delivered to the door are as important as saving money directly.

6. Lead-in to Affiliateship.

When I have done a good job of explaining our membership, people not only understand the membership, but understand the importance of gathering more members. At this point many people mention friends that may be interested. We recognize the value of word-of-mouth advertising and offer an excellent incentive program.

7. Incentive program.

a. Explain the Team structure.

"In a membership drive you have the option of creating a team of people (Affiliates) to help you sell memberships. Affiliates are people, not necessarily members, who participate in our incentive program. To earn this right, you must make at least as many membership sales as Affiliates sponsored on your team. In other words if you sell 3 memberships, you have earned the right to sponsor 3 Affiliates. For the purpose of this discussion we will assume that each member also becomes an Affiliate to participate in our incentive program."

i. Draw and explain the Team Diagram (3 columns the 3rd is the 20% column)

ii. Show where the first two members go.

iii. Explain how the 3rd membership that you sell can either go in the 2nd column or the 3rd your choice.

iv. Draw a person in the 3rd column and explain how if you are a member this is 20% off your membership (and if you have 2 people in this column 40% etc.). Each member in this column is worth \$3 per month (20% of \$15) which is like having \$720 in a CD with 5% interest - think of every person that you get in this column as someone giving you a \$720 CD.

v. Draw a member in the 2nd column and show how if that Affiliate sells their 2 memberships, those memberships BOTH end up in your 3rd column (draw them so now you have a total of 3 members in the 3rd column). So by putting someone who is

going to help with the membership drive in your 1st or second column, you end up with more members falling on your 3rd column.

vi. Now state in general, if a person is going to sell memberships you want them as near to you as possible.

vii. If you have drawn the above, one of your first 2 Affiliates has 3 members and Affiliates already in their team for free. Make a note of this and explain "To win the world series in baseball do you have to hit ALL the home runs for your team (no), how about ANY home runs (no) do you even have to play in the games (no), all that you have to do is make the team. To make the team in our business all you have to do is sell 2 memberships. This might take you a day, or a month, or a year, it doesn't matter. Over a period of time all of us know people who need to buy something whether it is a refrigerator, a car, a TV, or just groceries.

viii. Explain that if you help an Affiliate in your 3rd column sign-up a member in their 3rd column they make 20%, you make 25%. In fact not only is there a 25% incentive, but also a 50% incentive. These are available to all of us from day 1 but they become more critical at the other income levels.

b. The five (5) levels of income. At each level you can embellish on the amount of money (what does \$10,000/mo. residual income buy) but never make promises of reaching any level. If you have done this section properly you should have convinced people that this can be an extremely lucrative business, yet no-one should know how to qualify for any of the higher levels. People should not assume they will reach any level until they have earned it step by step.

i. Affiliate - this is where everybody starts, I've just explained this level in detail.

ii. Director (\$200-\$2000 per month) at this point explain residual income and how \$200/mo residual income is like having a \$48,000 CD at 5% interest. Just like writing a song; every time it is played on the radio, or in a commercial you make money.

iii. Regional (\$2000-\$10,000 per month)

iv. National (\$10,000 + per month)

v. 5 Star (A minimum of \$30,000 per month) at this point reiterate that this is \$30,000/mo without having to work - residual income.

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c. Bring your audience back to reality.

As you can see, a person can earn as much money with our business as with any other business or profession. But no matter how much you are going to earn with us, you will start where we all start at the Affiliate level.

d. Recapitulate.

Once you have completed the Affiliate level (some people do it in an hour, others never even want to do it) then we will show you how to be a Director. If you like being a director and are successful, then we will show you how to become a Regional. If you are successful at the Regional level, then we will show you how to be a National etc, etc.

NOTE: By saying it this way you

i. are not misleading the audience into believing they are at last going to be rich before they have even started - most people would like to be rich, if you make the mistake and motivate them with this desire, most of them will end up unhappy. For most people being rich will NOT be a reality (only 1% of the population is "well-off" no matter what anyone has done).

ii. are using the corporate structure that everybody is familiar with to explain the opportunity. Some of your audience may even think that they need to be promoted to be a director - this is OK for it is better for them to think in terms of something that they understand.

8. How to get started.

At this point you explain the Calendar Program. You should explain it as if you had just brought someone in the audience in. Pick someone in your audience and talk out each of the following steps using their name:

a. Find out if the new Affiliate is a "casual" worker, or would like to launch this off quickly in the next two (2) weeks. We will assume they are a quick starter (If they are not, they should not be on the Calendar Program).

b. Make the list of names right there. Try to get between 10 and 30 names (more if they can).

c. Book calendar time. Try to at book a minimum of 4 hrs a week. Your objective is to get to speak to 8 to 10 people in the next 2 weeks - or as many as possible. By seeing the presentation 8-10 times your new Affiliate will be familiar with it, and you should have sold at least their 1st 2 memberships (and recruited to

Affiliates into the calendar program for them to train).

NOTE: When booking calendar time you should literally have both you and your new Affiliate's calendar out (if they don't have one, you can use a page calendar that should be hung on their refrigerator). Writing things down is one of the most important actions in goal setting. You should also explain to them that this is their training time and that they will sit and watch and learn as you present the material.

d. Instruct your new Affiliate to make appointments with the people on the list of names for the calendar times. You may need to tell them how to invite at this point (see Calendar Program). You may need to sit with them during calendar time and make calls with them (this should be a last resort).

e. When you make presentations with them, what are the people who want to be Affiliates in the quick-start program going to want to do? Book calendar time! At this point your new Affiliate will have seen 10 presentations or more, and it's their turn to go and present this format to their friends that have just become Affiliates. At this point you are out of the loop! (see Calendar Program).

9. Thank them.

I want to thank you for listening, if you have any questions I will answer them, and if at this time you would like to join us as a Member and/or start in our incentive program we can get started today and book calendar time. If you are not interested but want information we can provide you with that also. Once again, thank you and I hope you enjoyed the presentation.

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join us...help people...have more

consumers' buyline, inc.

*Learn to **improve** your standard of living by
paying **guaranteed** exclusive low prices
on virtually **everything** you buy!*



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9/8/19 12-15-92
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Table of Contents

Introduction	3
1) consumers' buyline Overview	
consumers' buyline Can Change Your Life	5
Services Available	6
The Open Marketing™ Concept	7
2) Purchase Power	
How Purchase Power Benefits Consumers	9
History of Purchase Power	10
How The System Works	11
What Products Are Available	12
3) Harvest America	
Exclusive Harvest America Grocery Plan	14
How The System Works	15
What Products Are Available	16
How Much Less Can I Expect To Spend?	17
4) consumers' buyline Membership Information	
Costs and Payment Methods	19
Timetable	20
5) The Open Marketing™ Concept	
Mr. Keith Ranieri	22
Advantages Over Traditional MLM	23
The 2 x 9 Team	24
How Spillover Works	25
Commission Levels	26
Going Wide	27
Income Phases	28
Today is the Day to Start!	29

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Introduction

This Is A Great Program!

Because **consumers' buyline, Inc.** is a multi-faceted program, with a wide array of powerful, consumer-oriented services to offer its members, no single flyer or brochure can hope to explain it in its entirety.

There Are More Programs and Services Coming!

And even the most expert CBI member cannot anticipate all of the new services and features that are coming on-line every month as thousands of new members expand our purchasing power.

Check The Prices For Yourself Whenever Purchasing A Covered Item!

The price comparisons and brand names listed in this book are presented for illustration purposes only and are not intended to represent the exact prices of all items at all times. Through the service you will become aware of the very low prices available on everything you buy.

How To Use This Book

Read Section 1, An Overview of **consumers' buyline** for an abbreviated explanation of CBI. Sections 2 through 5 go into a bit more detail about each of the main aspects of CBI; Purchase Power, Harvest America; Membership Information, and The Open Marketing™ Concept. But this booklet cannot hope to cover every aspect of this fabulous, multi-faceted, ever expanding service, so...

Go To A Local consumers' buyline Meeting!

Further information can be found at the **consumers' buyline** meetings which are being held regularly in your area. Please call your sponsor for exact dates and times.

SEC 000003

What Is **consumers'** buyline?

SEC 000004

CONFIDENTIAL

consumers' buyline, inc.

is a Marketing Company bringing together individual members to enjoy the benefits offered through **Purchase Power**, **Harvest America** and other consumer-oriented service providers.

*The Best Way To Improve Your
Personal Financial Situation Is to:*

SPEND LESS + EARN MORE

CBI Can Help You Do Both*

What Could The Benefits of This Program Mean To You?

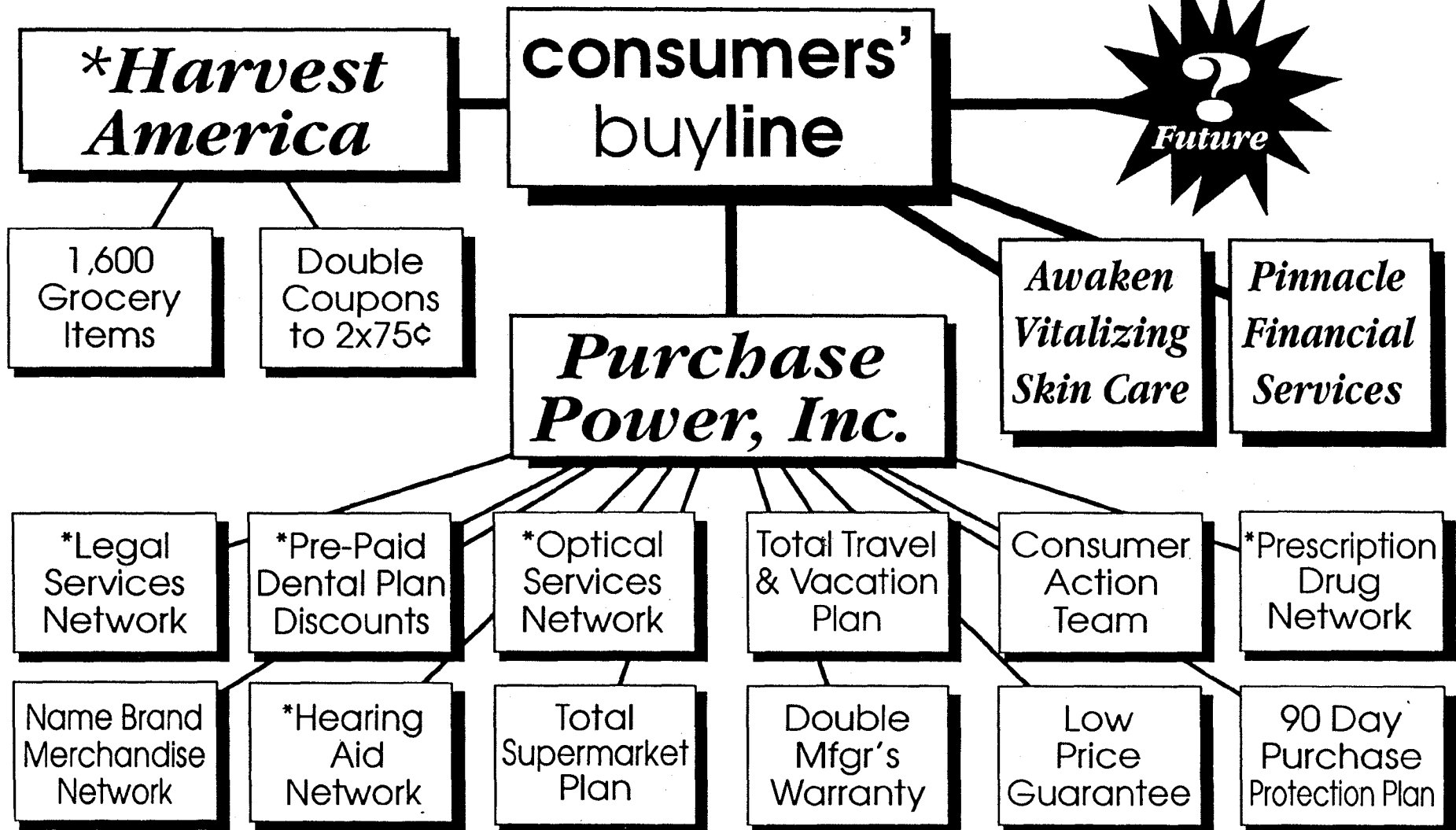
- A New Car Payment?
- Your Retirement Plan?
- A Bigger Home?
- Your Childrens' Education?
- Homeownership Instead of Renting?

**Membership and Sales Program are 2 separate programs*

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With a consumers' buyline Membership You Can Spend Less on Almost Everything You Buy!**



SEC 000006

****CBI is a purchasing service membership offering consistently low costs and is not a discount buying club. *Denotes an optional service.**

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The Open MarketingTM Concept

In addition to conserving your money, **consumers'** buyline offers those who become affiliates the opportunity to earn money introducing the Membership and Sales programs to their friends.

Keith Raniere, the founder of **consumers'** buyline, is an incredible intellect who has created a totally new system that makes it much easier than ever before for the average person to succeed. His Open MarketingTM concept eliminates all of the roadblocks that can make multi-level marketing difficult for affiliates.

So don't confuse Open MarketingTM with traditional Multi-Level Marketing (MLM):

With Open Marketing:

There Are No Sales Quotas

There Is No Inventory To Carry

You Only Need To Sell 2 Memberships

You May Benefit from Upline Spillover

Almost No Attrition Problem

SEC 000007

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The Power Of Purchase Power, Inc.

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CONFIDENTIAL 8

Purchase Power Benefits Members In Three Ways:

REG

REPRESENTATION

Purchase Power receives no money from the purchases you make. Instead, they are your representative in the transaction: making sure you always get an exclusive low price, best possible service and longest warranties.

EXPERIENCE

Purchase Power has a professional negotiating team that has worked for the past 28 years to build our current selection of benefits. Purchase Power knows how to get the most from the vendors they select.

GROUP

Purchase Power represents over 4 million members. A group that large speaks with a powerful voice. Vendors offer us pricing and services that are exclusive. Don't fight your way through the marketplace alone!

***There simply is no other group that can benefit you
in all the ways that consumers' buyline can!***

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Purchase Power has been serving Millions of People for over 28 years.

Since 1964 ...

Purchase Power benefits have been offered as a perk to employees of Fortune 500 companies.

Purchase Power...

allows individuals to purchase products and services at unbelievably low prices. This is accomplished through price negotiations arising from the "Purchasing Power" of over 4 million members.

Vendors offer...

exclusive low prices and best possible service because Purchase Power brings to them volume sales each year through a 1-800 telephone service.

The flow of these phone calls...

is completely controlled by Purchase Power. If a vendor's prices or customer service are found to be unsatisfactory they are replaced. This incentive structure keeps prices down & member satisfaction sky high.

SEC 000010

How Does The System Work For Members?

- Decide what item you are interested in; TV, Refrigerator, etc.
Get model #, style, color, options etc.
- Shop Around and find your best price
- Call The Network's 1-800 Number
Have your group and individual ID #'s ready
- The Network operator will transfer your call to the vendor that handles the product or service you have requested.
- The vendor will give you a price and projected delivery time.
- You may place your order and hang up the phone

***Now that's an Easy Way to
Conserve Hard Earned Dollars!***

What Products are Available?

Through consumers buyline, most makes and models of covered products are available in such categories as...

Home Electronics

TV & Video
Audio
Computers
Software

Practical Home Items

Major Appliances
Sewing Machines
Vacuum Cleaners

Relocation Services

Buy/Sell Homes
Interstate Moving

Home Furnishings

Ceiling Fans
China, Crystal, Silver
Furniture
Lamps & Lighting

Personal & Recreation

Cameras
Luggage
Jewelry, Watches, Diamonds
Exercise Equipment
Musical Instruments
Cars, Trucks & Vans

Health and Medicine

Prescription Drugs
Vitamins
Prescription Eyeglasses
Designer Sunglasses
Soft Contact Lenses
Home Health Care

Music & Reading

CD's, Tapes
Records, Magazines

Insurance

Life & Health
Long Term Care
Deferred Annuities

Financial Services

Personal
Business

Travel & Vacation

Airlines
Car Rentals
Tours, Cruises
Hotels, Motels
Vacation Condos
RV Rentals
Short Notice Trips
Spas, Health & Fitness
Trip Routing
Emergency Roadside Service

Covering almost all brand names such as...

**Bose® • Sony® • JVC® • Minolta® • Whirlpool®
Singer® • Viking® • Magnavox® • Mitsubishi®**

And many, many more!

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CONFIDENTIAL 12

Welcome To Harvest America

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CONFIDENTIAL 13

***Harvest America has been Delivering Groceries
Direct to Consumers' Homes for over 4 years.***

Over 1600 Items...

Non-perishable and dry good grocery items are available - delivered directly to your door - at incredible prices.

An additional 500 All-Natural...

and health food items are available as well.

Harvest America gives ...

CBI members an additional 10% off their already low exclusive price schedule.

All manufacturers coupons ...

up to 75¢ are redeemed at **DOUBLE** their value up to a total of \$1.50 per item.

You order only ...

the items, sizes and brand names you need - no bulk purchases or impulse buying.

The low prices...

can be totally unbelievable - and guaranteed to be your best overall price for the items you order.

***Virtually every non-perishable product category
is available at dramatically low prices.***

How Does The System Work?

- Choose the items you want from Harvest America's catalog of over 1600 dry goods and 500 natural food products.
- Fill out your order form and total the cost.
- As a CBI member deduct 10%.
- Deduct the value of all applicable manufacturer's coupons.*
- Enclose your coupons and payment.
- Mail your order and enjoy the old fashioned convenience of home delivery at no additional cost.

***That's another Easy Way to
Conserve Hundreds of Dollars!***

**All coupons with a face value of 75¢ or less can be redeemed at DOUBLE their face value!*

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CONFIDENTIAL 15

What Products are Available?

Harvest America carries over 1,600 dry good items such as...

Cake Mix
Cooking Oil
Bread Mix
Tuna Fish
Peanut Butter
Soup
Coffee
Deodorant
Paper Products

Salad Dressing
Dried Fruit
Canned Fruit
Cheese
Spices
Breakfast Cereals
Shampoo
Food Wrap
Rice

Pasta
Gravy
Candy
Snacks
Popcorn
Cookies
Soap
Vitamins
Pet Food

Batteries
Pain Relievers
Feminine Products
Cough Drops
Tooth Paste
Hand Lotions
Laundry Products
Baby Food
And Much More!

representing such brand names as...

Maxwell House® • Skippy® • Sure® • Cheerios® • Starkist®
Wesson Oil® • Campbells® • Reynolds Wrap® • Aim® • Energizer®

and many, many more!

***Harvest America also offers over 500 Natural Food Items from over 50 vendors
as well as other specialty items such as yogurt makers, African Imports,
Recycled Paper Products, Fashion Fantasies and Regional Items.***

How Much Less Can I Expect To Spend?

Prices change constantly due to market influences. So we can't list specific products or price comparisons here. Whatever we would print today would be obsolete tomorrow.

But you will find exclusive low prices shopping at Harvest America:

- Dramatically Low Prices without coupons
- Save 35% – 50% off and more when you use coupons
- Enjoy delivery direct to your home at no additional cost*

And there is one thing we can say for sure:

***You will Always Pay The Best Overall Price
For Your Total Food Order
or Harvest America will Refund The Difference!***

*Shipping is free as long as your pre-coupon total does not exceed \$50 and your post-coupon total is not less than \$20. For more information consult your Sponsoring Independent Affiliate.

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CONFIDENTIAL

How Do I Join **consumers' buyline?**

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CONFIDENTIAL 18

Membership Information

consumers' buyline *Membership Costs*

\$39 Annually + \$15 Monthly
(**\$54 to Activate Membership under Payment Option #3**)

Payment Options

- 1) The annual price if paid by Cash or Check is \$219.00
- 2) VISA™, MasterCard™ or American Express™ for \$232.00
- 3) Check for \$54 + monthly bank draft of \$16
(includes \$1 bank charge)

Optional Harvest America Grocery Program is \$52.50 Annually
(Not required for CBI Membership • payable by check or MC/VISA)

Annual Cost of
consumers' buyline + *Harvest America*
is \$271.50

SEC 000019

When Can I Get My Membership Started?

The sooner you sign up...

the sooner you can start enjoying the benefits! Don't be one of the many current **consumers'** **buyline** members who are kicking themselves for not joining sooner!

Your sponsor will...

fill out the paperwork and send it in to CBI Headquarters.

Two or Three Weeks later...

your membership packet will arrive.

A Harvest America Application...

will be inside the packet. Send it in with your payment and within three weeks you will receive their catalog.

Other Applications...

for the Vision Network, Legal Network, Long Distance Service, Coupon Exchange, etc. will also be included in the packet. Some require a modest additional fee such as \$2-\$3. Others are at no additional cost. Choose the ones that can benefit you and send them in right away!

SEC 000020

What Is Open Marketing™?

SEC 000021

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21

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The Open MarketingTM Concept

Keith Raniere, the founder of **consumers'** buyline, is an extremely intelligent businessman. His IQ has been measured to be in excess of 190. His particular talent is solving complex mathematical and logistical problems.

Mr. Raniere had been involved in several multi-level marketing (MLM) organizations and had been particularly successful at one system that sold pre-paid legal services. But he found that, while he was able to succeed, most others were not.

He did extensive research over the course of several years to find what the major stumbling blocks were to most people's success in network marketing. The four areas that make traditional MLM extremely difficult for the average person are:

- Recruiting
- Sales Quotas
- Inventory
- Attrition

Mr. Raniere then put his mind to work creating a new system called

Open MarketingTM

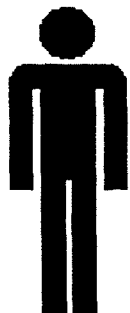
Open MarketingTM makes it easy for the average person to succeed.

Open MarketingTM Advantages Over Traditional MLM

- Affiliates Only Need To Sell 2 Memberships
- No Further Sales Quotas
- There Is No Inventory To Carry
- You May Benefit from Upline Spillover
- Almost No Attrition Problem
- Memberships Renew Automatically
- Generous Compensation Plan
- Every Home is a Potential Member

SEC 000023

The 2 x 9 Team



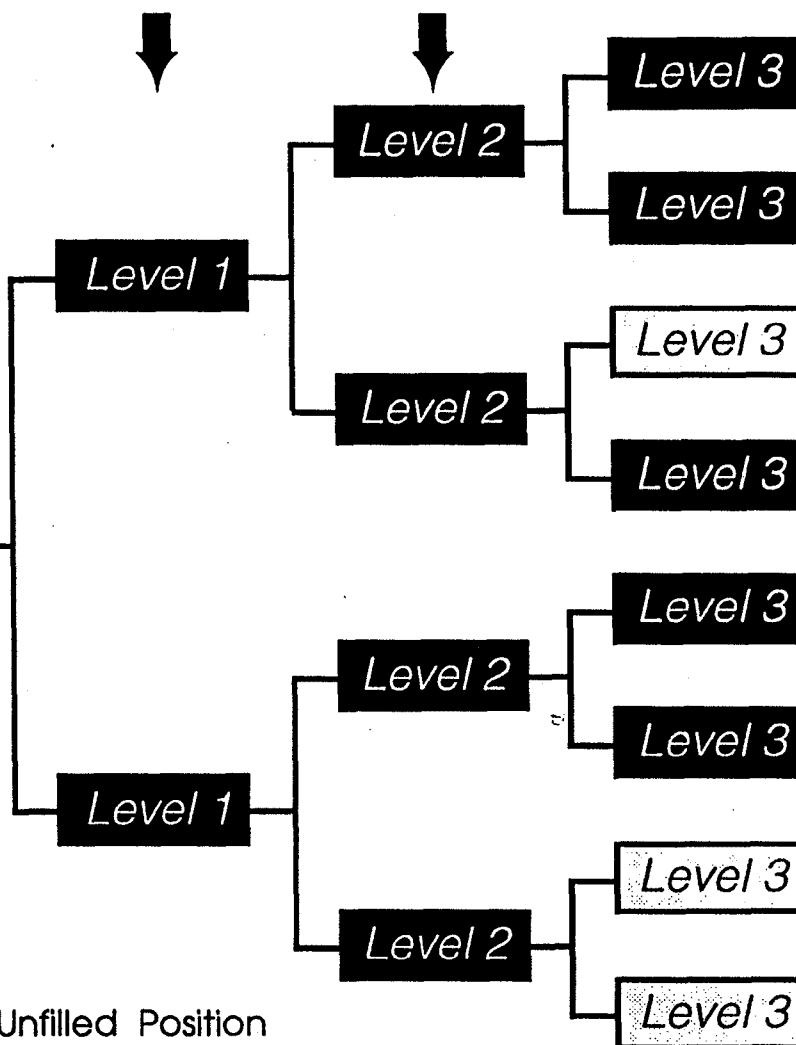
You

To qualify for commissions you only need to sell 2 memberships.

Growth Line
↓

Growth Line
↓

Commission Line



Legend



= Unfilled Position



= Filled Position



Just sell 2 memberships and you never have to market again to earn increasing commissions.

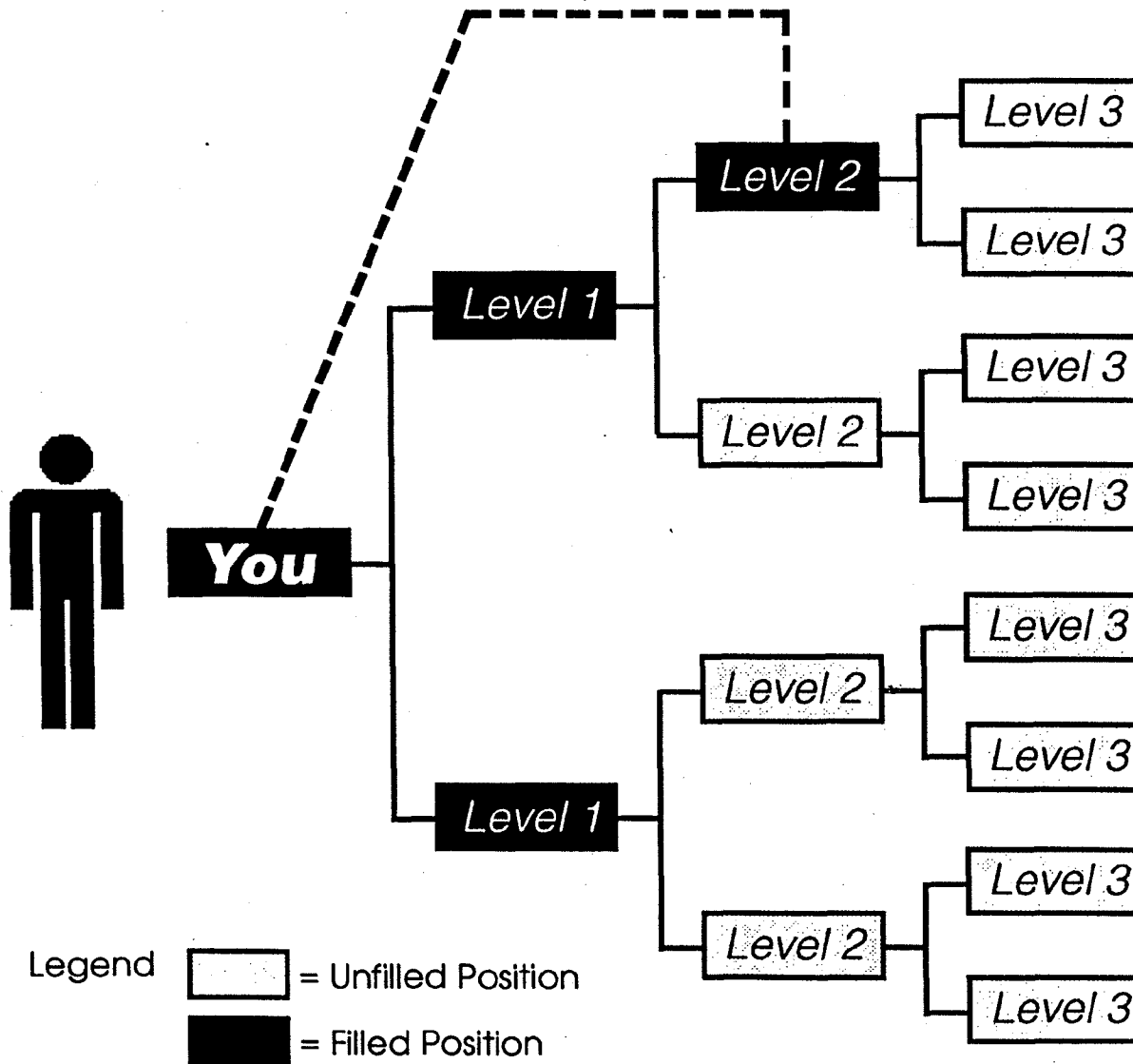
You earn a 20% commission on the members sold by you or placed on your level three, 25% on level six and 50% on level nine!

Just 5 active members on your level 3 means that a membership could be purchased by commissions earned!

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How Spillover Works



Anyone selling more than 2 memberships and sponsoring more than 2 affiliates creates spillover.

That spillover fills in below other team affiliates and helps the team grow faster.

Excess affiliates and excess members both spillover to maximize your affiliate sales organization growth and your commissions

Your Commission Lines are Levels 3, 6 & 9

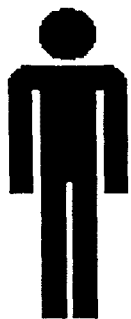
<u>Level</u>	<u>Max. # Members Sold</u>	<u>Payout %</u>	<u>\$/Member</u> <small>(Monthly Payment)</small>
1	2	0	0
2	4	0	0
3	8	20%	\$3.00
4	16	0	0
5	32	0	0
6	64	25%	\$3.75
7	128	0	0
8	256	0	0
9	512	50%	\$7.50

Only affiliates sell memberships. Membership purchase is not required to become or remain an affiliate. There are no required affiliate purchases. The above chart demonstrates how the compensation plan works and is not intended to infer that any downline affiliate organization or member sales may or will occur. No average or typical downline affiliate organization or monthly income from membership sales has been established for CBI affiliates.

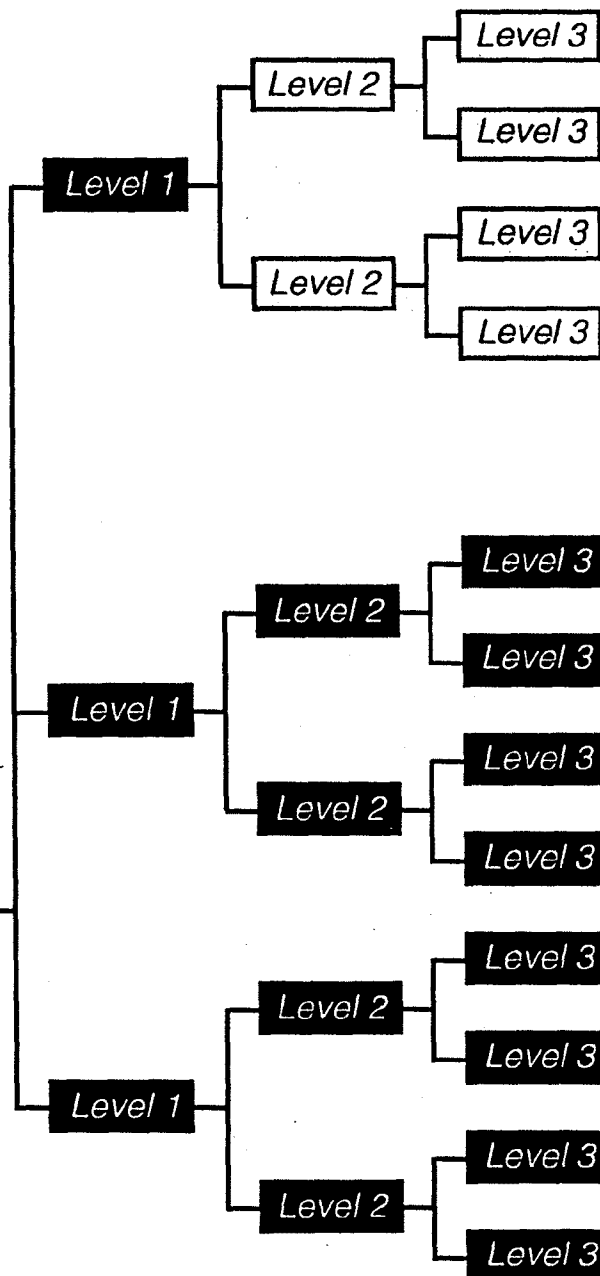
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CONFIDENTIAL 26

A New Leg!



You



Going Wide

After you have filled your first 2 x 9 affiliate and member team through level 5, you may, if you wish, add other legs to your team.

You can continue to add legs in this way indefinitely.

Filled Through
Level 5

Legend = Unfilled Position
 = Filled Position

consumers' buyline, inc.

Income Phases

<i>PHASE</i>	<i>TITLE</i>	<i>Approximate Monthly Income</i>
I	Affiliate	0-\$200
II	Director	\$200-\$2,000
III	Regional Director	\$2,000-\$10,000
IV	National Director	\$10,000 +
V	Five Star Director	\$30,000 +

SEC 000028

Today Is The Day To Get Started As An Affiliate!

consumers' buyline is growing fast! The sooner you get started the sooner you can make that growth a part of your own team.

The longer you wait to get started the more opportunity will have been lost.

Are you ready to start building a residual income stream?

Are you ready to make a small investment of your time today in order to make a big difference in your standard of living?

Join Us...Help People...Have More!!

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Thank you for your interest in
consumers' buyline, inc. For
more information or to become
a **consumers' buyline** member
and/or affiliate, please contact:

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Vol. 11, No. 1

MAGAZINE

June 1992

Join the
Celebration

CBI Exhibit 20
4/2 12-15-92

BIG NEWS!

The Awaken Skin Care Compensation Plan

Affiliates who attended the April regional conference in Dallas, Texas were the first to hear the news about the Awaken Skin Care Compensation Plan. This unique and exciting marketing plan was designed to give Affiliates the opportunity to sell Awaken products to non-members. Although the Awaken marketing plan and commission structure will be implemented in the coming months, Affiliates are being introduced to the plan in advance.



Susan Cininelli at the Dallas conference.

Additionally, those Affiliates interested in becoming eligible to receive commissions can take the first step now, by selling 10 kits. When the marketing plan is activated, those Affiliates will already have begun to establish an initial customer base.

Interested Affiliates should send the enclosed Awaken order form requesting 10 kits or more to:

Attn: Toni Natalie
Consumers' Buyline
100 Sitterly Road
Clifton Park, NY 12065



National Franchise Director, Toni Natalie, at the Dallas conference.

Those Affiliates who have completed the first step towards qualifying for commissions will be notified when the marketing plan is implemented. Any questions and/or concerns should be directed to Toni Natalie at the address at left.



The Awaken Skin Care Compensation Plan Part One

As a Consumers' Buyline, Inc. Affiliate selling Awaken products to non-members, you earn the difference between the retail price and the wholesale price (a 33 1/3% mark-up). Therefore, if an Affiliate sold products with a wholesale price of \$75.00, and the retail price was \$100.00, the Affiliate would make a profit of \$25.00. Affiliates do not make a profit on sales to Members.

Affiliates have three ways to sell products to non-members.

1. Affiliates buy the products at retail, sell them at suggested retail, and submit a Retail Sale Form with a serial number (given each time an Affiliate purchases a product to sell) to a Franchise Director or the corporate office.

The wholesale to retail difference will be sent to the Affiliate with commission checks (this helps to insure that all non-member sales are completed at (at least) the suggested retail price).

2. Affiliates may fill out a Retail Order Form and send the retail amount to a Franchise Director or the corporate office. The product will be sent with commission checks.
3. Affiliates may sign up their customers with a monthly Purchase Agreement. Each month the Affiliate will be sent the wholesale to retail difference with commission checks, and the customer will have a credit account so that they may order directly from the Franchise Director or the corporate office. This is the easiest way to build residual income.

To earn team overrides on skin care sales, two requirements must be met.

1. Sell 10 kits. The Affiliate must sell kits to 10 separate customers (this is a cumulative figure), this includes retail customers that later or simultaneously become Members.
2. Be a Consumers' Buyline Profit Center. Initially, an Affiliate has 8 potential spots on their 3rd level for memberships. Once those 8 spots are filled, they are a profit center.

An Affiliate who has completed BOTH of these qualifications is known as a Skin Care Profit Center (SCPC). Part Two of the Skin Care Compensation Plan will be published in the July edition of this magazine. Affiliates are encouraged to begin the qualification process now.



Susan explains Awaken to Affiliates.

In order to verify that Affiliates have met the qualifications necessary to become a Skin Care Profit Center before the actual marketing plan is implemented, Affiliates must return the form below — one form for each of the ten qualifying kits sold at the suggested retail price of \$107.00. The form may be photocopied.

If an Affiliate is selling kits as part of a membership drive at the Member cost of \$54.00, then a copy of each new Member application must be enclosed. (Remember, Affiliates do not make profit on sales to Members.)

There is no time limit on qualification, however proof of all ten qualifying sales must be submitted at the same time in one packet.

Awaken Retail Order Form

Name: _____

Address: _____

City/State/Zip: _____

Phone:(day) _____ (evening) _____

Date: _____ order taken by: _____

Salesperson's social security number: _____

Amount of sale: _____

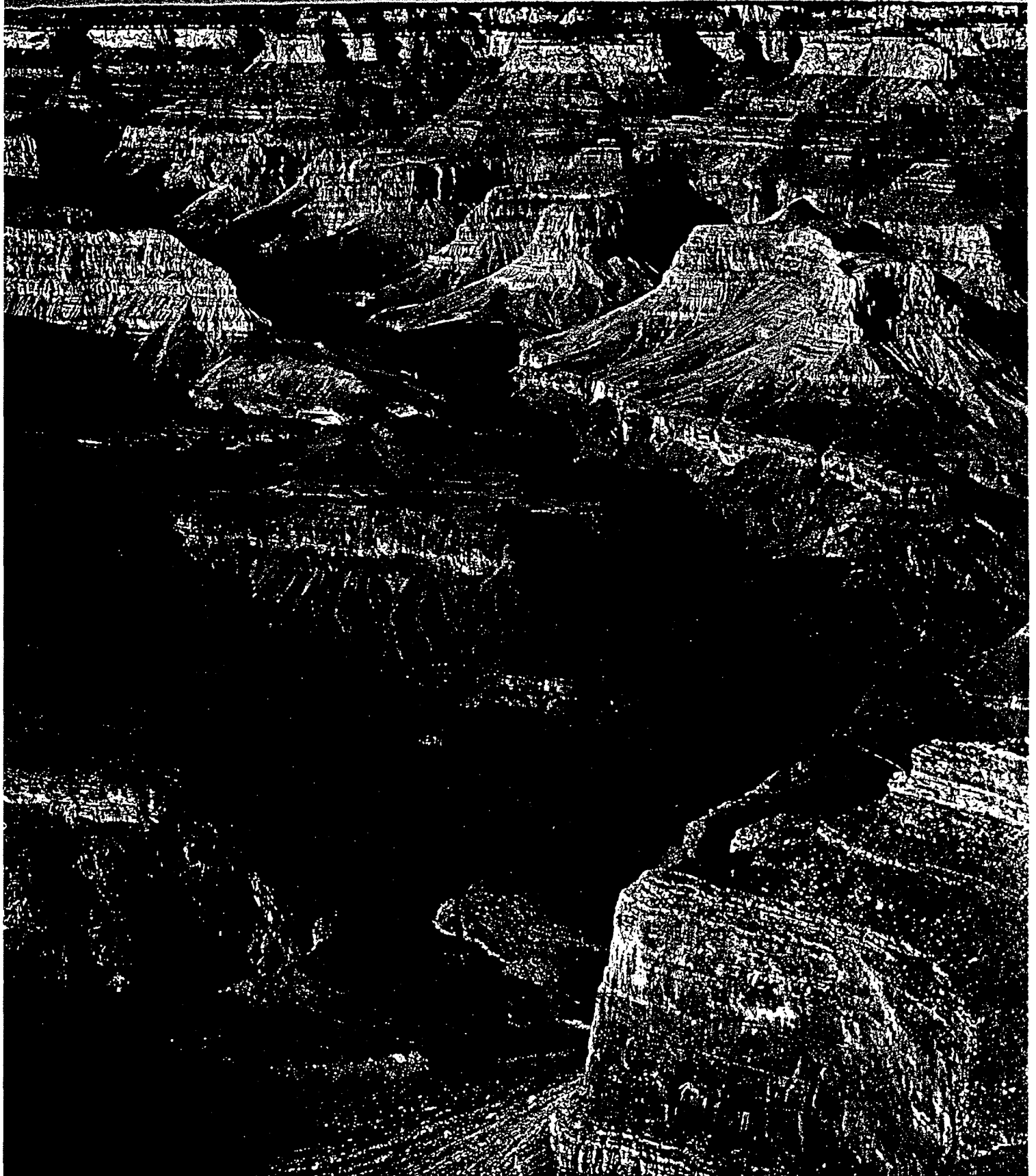
Return this form to: ATTN: Toni Natalie/Awaken
 Consumers' Buyline, Inc.
 100 Sitterly Road
 Clifton Park, NY 12065

consumers' buyline inc.

Vol. II, No. 7

MAGAZINE

July 1992



CBF Exhibit 21
01 2 17 15-97

The Awaken Skin Care Compensation Plan



This unique and exciting marketing plan was designed to give Affiliates the opportunity to sell Awaken product to non-members. Although the Awaken marketing plan and commission structure will be implemented in the coming months, Affiliates are being introduced to the plan in advance.

Part One

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An Affiliate who has completed BOTH of these qualifications is known as a Skin Care Profit Center (SCPC).

Part Two

An SCPC generation is defined as all Affiliates that are not SCPC's in the Team structure of the SCPC. Your 1st generation SCPC's are Affiliates in your generation that become SCPC's. Your 2nd generation SCPC's are Affiliates in your first generation that become SCPC's.

As an SCPC you earn commissions on generations of SCPC's as follows:

10% of the Member to retail difference on skin care sales in your SCPC generation (this includes 10% on all 1st generation SCPC's personal sales).

15% of the Member to retail difference on sales in the 1st generation down to the next (2nd generation) SCPC (This includes 15% on all 2nd generation SCPC's personal sales).

20% of the Member to retail difference on sales in the 2nd generation down to the next (3rd generation) SCPC (this includes 20% on all 3rd generation SCPC's personal sales).

You do not make overrides on skin care sales in the 3rd generation and below. This is more than compensated for by the high commissions on membership sales made by lower generations to qualify to be SCPC's. As you will discover, the skin care sales motivate people to become SCPC's by selling memberships. This eventually leads to high skin care overrides and/or high membership commissions.

Although the marketing plan is not officially in place, Affiliates are encouraged to begin the qualification process now.

In order to verify that Affiliates have met the qualifications necessary to become a Skin Care Profit Center before the actual marketing plan is implemented, Affiliates must return the form below – one form for each of the ten qualifying kits sold at the suggested retail price of \$107.00. The form may be photocopied.

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Awaken Retail Order Form

Name: _____

Address: _____

City/State/Zip: _____

Phone:(day) _____ (evening) _____

Date: _____ order taken by: _____

Salesperson's social security number: _____

Amount of sale: _____

Return this form to: ATTN: Toni Natalie/Awaken
Consumers' Buyline, Inc.
100 Sitterly Road
Clifton Park, NY 12065

CONSUME BOUYING INC

WAVIN

CBZ Exhibit 22
4X 12-15-92

Awaken to Opportunity

Consumers' Buyline has changed the face of Network Marketing. Now, we're taking on the Direct Sales industry. Awaken, in conjunction with CBI, has developed both a top notch product and an innovative marketing opportunity. Awaken sets a new agenda for equitable, profitable direct sales.

The Product

Awaken currently offers a seven piece comprehensive skin care system that provides the average consumer with quality unsurpassed by even the most expensive skin products. Americans literally spend billions of dollars each year on over-priced skin care products. Awaken was specifically developed because we wanted the consumer to have access to the best in skin care products without paying exorbitant prices. Millions of consumers are cheated every day into paying more than they should. We've taken the middlemen (distributors, advertising, etc...) out of the equation and the result is low cost, high quality products.

We want everyone to have the opportunity to experience Awaken, but we refuse to pay advertisers and pass their cost on to you, the consumer. So, we've developed a unique win-win marketing plan that will make Awaken available to everyone at an unbeatable cost, while generously compensating the marketing force.

For those people who prefer a tangible product to market here is how to sign up.

Anyone wishing to become a Retailer to retail the Awaken Skin Care Product must fill out a Retail Agreement Form. This form may be obtained by contacting Customer Service or writing to Toni Natalie at the address listed below. In the future, the Team Leader and/or Franchisee in your area will have these available upon request. You will then be given a Retail ID# which will enable us to track all your Awaken orders. This also allows for two other very important points as follows:

1. It allows us to keep track and ensure that we have upline/downline integrity. This means the following: If you, as an affiliate or "retailer," decide to be a Retailer of the Awaken Skin Care Product Line, you are not allowed to cross-line recruit (this applies only to CBI affiliates). We will not allow cross-lining within the CBI organization and do not condone others to do so.



AWAKEN
VITALIZING SKIN CARE

For example: if someone in another team has an affiliate that you know would be an excellent retailer, you cannot recruit them into your team and have their volume work towards your overrides.

2. For those Retailers who have established an ongoing customer base, this allows their customer to order directly through our 1-800-241-AWAKEN line and have their customers' product shipped directly to them. Through the tracking of the Retailer ID Number, we are able to distribute commissions and overrides to the proper person.

To become and remain a qualified Retailer, you need to maintain five or more active customers every month who purchase a combined wholesale volume of \$100.00 worth of product. This volume is based on member pricing. No one customer can count for more than \$20.00 of this active volume. For example:

Customer 1's volume is \$47.00 — only \$20.00 of this counts.

Customer 2's volume is \$15.00 and the entire \$15.00 counts.

For qualified Retailers, you may purchase the product at member price and you may sell at the suggested retail of \$107.00. For Retailers signing up a qualified retail establishment, i.e., salons, health clubs, etc., their volume will help you reach your goal as Coordinator (\$1,500.00 per month) whereas you will then receive a 10% override on all retail sales over \$1,500.00. Remember to add applicable shipping and handling charges.

For nonqualified Retailers, you now have the opportunity to also retail the Awaken Skin Care Product. You must, however, purchase at the suggested retail price of \$107.00 (plus applicable shipping and handling charges) and

whatever price you sell it at, you are rebated the difference in a check (the differential being the difference between member price and selling price up to a maximum rebate of \$53.50). A \$1.00 check processing fee is also applied.

Several selling options are available to you:

- a. Purchase the Awaken product, sell at suggested retail and immediately receive the benefits of an instant income (depending on your qualification listed above).
- b. Submit a Retail Order Form to Awaken's Home Office, have the Awaken product delivered for you and you would still earn the difference! This way, it is not necessary to purchase the product before you sell it. The commission structure is based on the previous month's sales.

Retailers

Retailers interested in training and developing a sales force can qualify to become Coordinators. To qualify as a Coordinator, a Retailer must maintain a monthly group sales volume of \$1,500.00 (wholesale). Coordinators receive a 10% override on all of their sales beyond \$1,500.00. If one of the Retailers on your team also becomes a Coordinator, you'll receive a monthly bonus of \$150.00.

Master Coordinators

A few Coordinators will have the opportunity to create and train a super sales force and will become Master Coordinators. Master Coordinators have a team of at least twelve Coordinators. They will earn a 3% override on all the sales made by the Retailers working under the twelve Coordinators. This override is in addition to the 10% override earned as a Coordinator.

Awaken is remarkable because even the suggested retail price of the products is significantly lower than comparable products. In keeping with the CBI tradition, Awaken dispels the myth that the higher the price, the better the quality. When selling Awaken, you'll be offering consumers a genuine good deal while being generously compensated for your work.

For more information on the Awaken Incentive Plan contact:

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Consumers' Buyline, Inc.
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